

Report of:	<i>Director of Finance – Ian Wright Executive Member for Finance & Governance – Councillor Chris Hobson</i>
Submitted to:	<i>Individual Executive Meeting on 2 December 2020</i>
Subject:	<i>Winter Grant Payment & Financial Assistance and Advice Support Payment - Covid 19 Funding.</i>

Summary

Proposed decision(s)
<p>The Executive Member for Finance & Governance approves the following:-</p> <ul style="list-style-type: none"> • The allocation of the Winter Fund Grant in response to the announcement by Central Government on 8 November 2020. The funding is provided by the DWP to allow councils to provide direct assistance to vulnerable households with children. • Additional funding of £500k for the provision of Financial Assistance and Advice Support Payments from Covid 19 grant funding to be allocated to provide direct support to vulnerable households without children, including individuals who are at risk of poverty. • That the Section 151 Officer be given delegated authority to approve any future modifications required to the allocation of both the Winter Fund Grant and the Financial Assistance and Advice Support Payments.

Report for:	Key decision:	Confidential:	Is the report urgent?¹
<i>Decision</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
<i>Supporting vulnerable households, families and adults by providing direct financial assistance for such things like Food, Energy, Water, Warm Clothing to those affected by the</i>		

<i>pandemic.</i>		
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Ward(s) affected
<i>All wards are potentially affected</i>

What is the purpose of this report?

1. This report seeks approval for both the Winter Grant Payment (families with children) and the Financial Assistance and Advice Support (others).

Why does this report require a Member decision?

2. Both the Winter Grant Fund and the Financial Assistance and Advice Support Payment provide for some element of discretion in regards to the groups that will qualify for support and as such this requires Members approval.

Report Background

3. Funding has been provided by the DWP of £659,634.51. As outlined in the guidance, Local Authorities are permitted to make provision from the funds to provide for the cost of administration of the Winter Grant Payments. £50k will be allocated to the administration of this scheme, with the remainder of £609,634.51 being set aside to distribute in line with the guidance as outlined below.
 - At least 80% of the total funding is ring-fenced to support families with children, with up to 20% of the total funding to other types of households, including individuals.
 - At least 80% of the total funding is ring-fenced to provide support for food, energy and water bills with up to 20% on other items.
AND
 - Middlesbrough will be allocating 100% of the funds to supporting families with children.
 - The scheme is not intended to replace Free School Meals, however it is intended to provide support to families from December 2020 to March 2021 i.e. covering the Christmas, February half term and Easter holiday periods.
4. This Winter Grant Fund will run alongside the Financial Assistance and Advice Support Payment and as such the Winter Grant Fund will be used to support Households with Children with the Financial Assistance & Advice Support Payment used to support 'other' household composites and will also extend to other adults.
5. Funding of £500k has been allocated to cover the cost of the Financial Assistance and Advice Support payment of which £100k being set aside to cover the cost of administration.
6. Both schemes will require a combined 6 FTE to deliver the Grant and the Payment. Both schemes are fund limited and whilst the intention of both the grant and payment is to run until the end of March 2021, should all funds be committed prior to the 31 March 2021, payment will cease.

Winter Grant Payment

7. The payment is aimed at those households with dependent children who are in receipt of Council Tax Reduction and are most likely to be closest to being at risk of poverty will form the main element of this scheme.
8. Using Council Tax Reduction records 5917 households have one or more children of which 1796 are on a passported benefit, whilst 4121 are non passported.

No of Children	Passported	Non passported	No of Households	No of Children	Amount Paid Per Child.
1	771	1500	2271	1	25.00
2	505	1376	1881	2	23.00
3	333	785	1118	3	20.00
4	125	322	447	4	18.00
5	48	92	140	5	16.00
6	11	25	36	6	15.00
7	2	16	18	7	13.00
8		4	4	8	12.00
9	1	1	2	9	11.00

9. The figures above would suggest c.12,267 children and young people could be eligible for food, energy, water etc. support in these households. Taking into account economies of scale achievable, where there are multiple children in a household, it is suggested that a tired/tapered approach to funding is adopted with the amounts to be paid as outlined in the table above.

- E.G If the number of children within a household is 2 the parents/carers would receive $2 \times \text{£}23.00 = \text{£}46.00$ to cover the two week Christmas Holiday period. If the number of children in the household is 5 the parents/carers would receive $5 \times \text{£}16.00 = \text{£}80.00$ to cover the two week Christmas period.

10. Local Authorities can make payment to the identified groups in a number of different ways, including direct cash payments, vouchers, giving meals to those in need or providing funding to organisations who already provide support. This will also apply to the Financial Assistance & Advice Payment.

11. The Winter Grants Funding will be allocated between the following suggested groups:-

- **Children in Need** – Those children known to the Local Authority. Food hampers will be delivered to the Families (Christmas/February & March). This group will also be eligible for a payment through the Winter Fund Grant.
- **Households with dependent children – in receipt of Council Tax Reduction** will be provided with a voucher to spend at a predetermined value as described above.
- **Borderline Crisis** – Aimed at those residents that just fall outside of the crisis support criteria, however providing them with financial assistance is deemed appropriate giving weight to their circumstances.
- **Fire Brigade weekend support** – The scheme has been extended until the end of March 2021. The solution provides weekend food support to those families who does not have access to food. In addition, should the need

arise, there will also be access to the foodbanks so that no person should go hungry.

12. It is desirable that a route to access food, energy, water and other such items in a way that ensures the dignity autonomy and choice of the resident is maintained. On that basis Middlesbrough's solution will be a combined payment that can be used for food, energy, water, warm clothing etc, leaving budgeting to the parent/carer/adult

Financial Assistance and Advice Support Payment (Households with no children).

13. Financial Assistance and Advice Support Payment will respond to the needs of other households, including individuals, who are at risk of poverty.

14. Support in the form of a payment will be made to the following groups. The payment is fund limited. Once the fund has been committed the payment will cease. Should take up be limited amongst any of the groups below, funds can be redistributed to support those areas with a greater level of demand.

- **Self-employed** – Aimed at self-employed residents who have experienced a 50% reduction in income due to Covid 19 and have not received or not in receipt of any other Covid 19 support.
 - **£70k Funding Allocation**
- **Change in Circumstances** – Aimed at those residents who have had a change in circumstances brought about by furlough which has led to a 20% reduction in the household income.
 - Based on 2 adults working in the household with a combined salary before furlough of £45k or less
 - Based on 1 adult working in the household salary before furlough was £25k or less.
 - **120k Funding Allocation.**
- **Vulnerable adults** – Aimed at those residents who are regarded as vulnerable and recognised as such by Adult Social Care.
 - **£50k Funding Allocation.**
- **Universal Credit/Working Tax Credit** – Aimed at those residents who are marginally above the threshold for Council Tax Reduction, but working and receiving these forms of state support.
 - **£70k Funding Allocation.**
- **Borderline Crisis** – Aimed at those residents that fall just outside of the crisis support criteria, however providing them with financial assistance is deemed appropriate giving weight to their circumstances.
 - **£50k Funding Allocation.**
- **Other** – Aimed at those residents who have experienced a change in their personal circumstances which suggests they will struggle to cover the cost of food, fuel, water etc and not in receipt of Council Tax Reduction.
 - **£40k Funding Allocation.**

To be eligible for either the grant or the payment, residents must have either a Council Tax Liability or a Rent Liability.

15. Any request for either a grant or a payment will be via an eform and subject to appropriate checks to determine entitlement.

16. Each application will be considered on its own merits, however any award will be capped at a maximum of up to £100.00 based on the specific financial circumstances of the applicant. Only one payment will be made.

17. Central Government is providing funding and guidance with an expectation that the Local Authority applies discretion to support households with children and others.
18. The scheme will be reviewed regularly to identify spend and suitability of the scheme to ensure it is reaching those residents that are most in need.
19. An online application process will be made available on the Council website to invite applications from eligible households/adults. The grant and payment will be promoted through a range of relevant platforms including the Council's social media channels, website, and press and other appropriate channels.

What decision(s) are being asked for?

The Executive Member for Finance & Governance approves the following:-

20. The allocation of the Winter Fund Grant in response to the announcement by Central Government on 8 November 2020. The funding is provided for by the DWP to provide direct assistance to vulnerable households with children.
21. Additional funding of £500k for the provision of Financial Assistance and Advice Support Payment from Covid 19 grant fund to be allocated to provide direct support to 'other' types of household composites and will also extend to individuals who are at risk of poverty.
22. That the Section 151 Officer be given delegated authority to approve any future modifications required to the allocation of both the Winter Fund Grant and the Financial Assistance and Advice Support Payment

Why is this being recommended?

23. Local Authorities will provide financial support to those identifiable as least well off at no direct cost.

Other potential decisions and why these have not been recommended

24. Central Government are providing funding to all Councils with an expectation that this funding will be distributed in line with government guidance and on that basis no other options have been considered.

Impact(s) of recommended decision(s)

Legal

25. There are no legal implications regarding this report.

Financial

26. The cost of the scheme has been provided for by funding made available from Central Government. Claims can only be paid against the funding allocation. Once the funds have been committed/spent, there will be no further support provided.

Policy Framework

27. N/A

Equality and Diversity

28. N/A

Risk

29. There is no financial risk to the Council as all grants and payments will be funded by support provided by Central Government.

Actions to be taken to implement the decision(s)

30. That the Executive Member for Finance and Governance agrees the Winter Grant Payment and the Financial Assistance & Advice Support Payment proposals.

Appendices

N/A

Background papers

Winter Grant Fund Guidance.



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