

<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Director of Finance
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<b>Relevant Executive Member:</b>	Executive Member for Finance and Governance
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<b>Submitted to:</b>	Executive
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<b>Date:</b>	1 May 2024
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<b>Title:</b>	Household Support Fund 2024
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<b>Report for:</b>	Decision
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<b>Status:</b>	Public
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<b>Strategic priority:</b>	Vulnerability
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<b>Key decision:</b>	Yes
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<b>Why:</b>	Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards
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<b>Subject to call in?:</b>	No
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<b>Why:</b>	Special Urgency
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<b>Proposed decision(s)</b>
<p>That Executive approves the Household Support Fund (HSF) plan which is to be delivered between 1 April 2024 and 30 September 2024.</p> <p>That delegated authority to approve any minor revisions/modifications to the delivery plan is provided to the Director of Finance and the Executive Member for Finance to ensure the scheme is delivered in line with the guidance and within defined timescales.</p>

<b>Executive summary</b>
<p>The special urgent decision is required as Central Government advised of a further round of the Household Support Fund (HSF) in the Spring Budget. This funding was due to end, therefore the decision by Central Government to continue has only just been made, hence</p>

the short timescale for implementation and the special urgency of the decision. The funding is to provide support to households, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs.

Middlesbrough Council has been allocated £1,653,615, and the funds must be distributed between 1 April 2024 and 30 September 2024.

The Council is required to submit by 10 May 2024 to the Department of Work and Pensions (DWP) a delivery plan approved by the Council's S151 Officer and Executive.

A scheme has been designed to provide support to the town's most vulnerable residents and low-income households in a similar way as for previous rounds, as outlined below:

- Families with children and in receipt of benefits.
- Pensioners in receipt of Council Tax Reduction (CTR) and in receipt of pension credit guarantee credit.
- Singles/Couples in receipt of benefits.
- Application-based awards for residents not in receipt of CTR or other benefits.

A total of £1.521m will be distributed to the above groups, with the remaining 8% (£0.132m) - allocated to the administrative cost involved with delivery of the plan.

Following implementation of the delivery plan, any remaining funds will be allocated to Council Tax accounts with a then current award of Council Tax Reduction (CTR) and where an outstanding balance remains following the issue of a summons in 2024/25 financial year. The Council also reserves the right to widen the group to those accounts not in receipt of CTR.

The full breakdown and associated estimated costs are outlined in Table 1 (para 18)

## **Purpose**

1. To seek approval of the Household Support Fund Scheme (HSF) for the first half of 2024/25 and seek delegated authority for the Director of Finance and the Executive Member for Finance to make minor revisions/modifications to the plan.

## **Recommendations**

2. That Executive approve the following: -
3. The Household Support Fund delivery plan for 2024, which will be delivered between 1 April 2024 and 30 September 2024 and as set out in Table 1 (para 18) to target four main groups:
  - Families with children and in receipt of benefits.
  - Pensioners in receipt of Council Tax Reduction (CTR) and in receipt of Pension Credit Guarantee Credit (PCGC)
  - Singles/Couples in receipt of benefits.
  - Application-based awards for residents not in receipt of CTR or other benefits.

4. That any remaining funds following implementation of the delivery plan (and administrative costs) are allocated to Council Tax accounts, with a then current award of Council Tax Reduction (CTR) and where an outstanding balance remains following the issue of a summons in 2024/25 financial year. This may also be widened to incorporate accounts not in receipt of CTR.
5. That delegated authority is provided to the Director of Finance and the Executive member for Finance to make any minor revisions/modifications to the scheme and make decisions in respect of any remaining funds (as outlined in para 4) to ensure the scheme is distributed in line with the guidance and within the defined timescales.

### **Rationale for the recommended decision(s)**

6. The special urgent decision is required as Central Government advised of a further round of the Household Support Fund (HSF) in the Spring Budget. This funding was due to end, therefore the decision by Central Government to continue has only just been made, hence the short timescale for implementation.
7. The decision is unable to comply with the notice periods in part 6.22 or the forward work programme requirements in part 6.32 of the Constitution. The general exception in 6.35 cannot be followed as the decision must be made urgently to approve the Household Support Fund and delivery plan, for submission of the delivery plan to DWP, to start to distribute the funds to vulnerable residents and deliver the scheme as a matter of urgency.
8. Central Government has made allocations to Local Authorities through the HSF to provide support to households, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs.
9. The Council needs to confirm an approach and submit an approved delivery plan to the DWP by 10 May 2024 for awards to be made within the timescale April to September. As the decision to continue has only just been made, hence the short timescale for implementation and the urgency of the decision
10. The policy is a key decision that impacts on two or more awards and will incur expenditure above £250,000.
11. The minor amendments that may be required will result in no changes to the threshold to services and support provided.
12. The delegated authority sought for the Director of Finance and the Executive Member for Finance to approve future minor revisions/modifications and make decisions in respect of any remaining funds maintains service operation levels and ensures that the scheme can be delivered within the defined timescales.

### **Background and relevant information**

13. On 6 March 2024, the Chancellor announced in the Spring Budget a number of measures to provide further help through the extension of the Household Support Fund (HSF) to support low-income households to cover the period 1 April 2024 to 30 September 2024.
14. Each Local Authority is required to prepare a local scheme to determine how the funding provided will be distributed. The amount allocated to Middlesbrough is £1,653,615.
15. Government guidance requires Local Authorities to clearly advertise the scheme to residents, including publication on the Council's website.
16. The value of individual awards is to be determined by Local Authorities in accordance with the parameters set out in the guidance.
17. The proposed scheme is based on the Council's previous successful HSF schemes and has been endorsed by the Council's Financial Inclusion Group and the relevant internal departments e.g., Childrens Services and Adult Social Care.
18. The scheme is designed to support vulnerable residents and low-income households that include children, pensioners, people with disabilities and other households who may be experiencing financial difficulties brought about by the economic challenges.
19. The proposed scheme is set out in Table 1 below:

**Table 1 Household Support Fund 2024**

	<b>Detail</b>	<b>Cost (£m)</b>
<b>Children (up to 20 if in receipt of child benefit)</b>	Households eligible for free school meals £70 payable per child in one payment	0.689
	Application based claim for those in receipt of CTR / UC / HB. £70 payable in one payment.	0.169
	New Mothers voucher of £25.00	0.025
	Holiday Activities and Food Programme	0.048
	Application based claim for non-CTR residents. £37.50 for a single applicant, for a couple £50, households with children, £70 per child	0.050
	Section 17 Additional Support	0.050
	Transitional support for special guardianship, residency, and child arrangement orders £33.50 per child - max 2 children	0.045
<b>Pensioners (66 years old)</b>	In receipt of Council Tax Reduction (CTR) or Pension Credit Guarantee Credit Application and automated payment methods. £37.50 single. £50.00 couple	0.144
<b>Other</b>	Application based claim for non CTR residents without children	0.075
	Community Support (All household composites)	0.050
	Singles or couples in receipt of CTR / UC / HB (no children). £37.50 single. £50.00 couple	0.082
	Advice and support - To be determined,	0.023
	Third party support. Differing amounts based on provider	0.072
	<b>Sub Total</b>	<b>1.521</b>
	Administration Costs @ 8%	0.132
	<b>TOTAL</b>	<b>1.653</b>

\*UC Universal Credit \* HB Housing Benefit \* SGO Special Guardianship Order

20. Estimated expenditure equates to £1.521m (excluding administration costs).
21. In line with the guidance, the Council is able to recover administrations costs to deliver the scheme and these have been calculated at £0.132m. This equates to 8% of the scheme funding. The administrative costs are in line with those of surrounding Local Authorities and also align to costs incurred from the administration of earlier HSF delivery plans.
22. Following implementation of the delivery plan, any remaining funds will be allocated to Council Tax accounts with a then current award of Council Tax Reduction (CTR) and where an outstanding balance remains following the issue of a summons in 2024/25 financial year. The Council also reserves the right to widen the group to those accounts not in receipt of CTR.
23. The scheme has been designed to provide support across the defined six-month period for awards.
24. The scheme will be subject to periodic reviews to allow alterations to be made should the scheme requirements need to change to keep pace with events.
25. Appropriate counter fraud measures will be put in place to minimise risk in accordance with the Council's policies and procedures [Counter fraud | Middlesbrough Council](#).

#### **Other potential alternative(s) (and why these have not been recommended)**

26. Do nothing; however, without a suitable scheme with sufficient defined criteria approved by the Council's Executive and presented to the DWP, the funds will not be able to be utilised by the Council to benefit vulnerable residents and low-income households and would need to be repaid to the DWP.

#### **Impact(s) of the recommended decision(s)**

##### ***Financial (including Social Value)***

27. Central Government has allocated the Council £1,653,615 from the Household Support Fund as outlined in the Executive summary. With an approved delivery plan the Council can distribute funds within the defined timescale between April to September 2024 to support the town's most vulnerable and low-income households.
28. An administration cost of £0.132m will apply to delivery of the scheme that is funded from the grant allocation. This equates to 8% of the scheme. This level is based on costs incurred in previous rounds and aligns with other Local Authority with similar HSF delivery plans. The effect of this will be monitored as part of the quarterly budget monitoring reports to Executive in 2024/25.
29. The Council can utilise the grant as per Central Government guidance and will not exceed the grant funding available. All funds will be distributed by 30 September 2024.

### **Legal**

30. Central Government guidance provides Local Authorities with the option to set its own scheme using funding provided, and whilst there are no legal requirements to implement a scheme should the Council decline this would subject the Local Authority to criticism by both Central Government and residents of the town.

### **Risk**

31. The scheme supports the delivery of the Council's strategic priority 'A Healthy Place' to reduce poverty as set out in the Council Plan 2024-2027. [Council Plan | Middlesbrough Council](#)

32. The HSF scheme will assist residents to meet their council tax instalments and debt liabilities, which in turn, will mean that the Council has funding to work with communities and other public services in Middlesbrough to continue to improve the lives of local residents.

33. The implementation of the scheme enables the service to deliver organisational priorities (Risk 08-054) and by reviewing the scheme periodically the Council continues to effectively review and amend the scheme to comply with any legislative changes (Risk 08-055).

### **Human Rights, Public Sector Equality Duty, and Community Cohesion**

34. There are no disproportionate adverse impacts on any group or individuals with characteristics protected in UK equity law. An impact assessment has been carried out and is attached. .

### **Climate Change / Environmental**

35. There are no disproportionate adverse impacts on the aspirations of the Council to achieve net zero, net carbon neutral or be the lead authority on environmental issues.

### **Children and Young People Cared for by the Authority and Care Leavers**

36. The HSF 2024 plan does not differentiate based on applicant background and therefore has no adverse impact on children and young people cared for by the Authority and Care Leavers.

### **Data Protection / GDPR**

37. The collation and use of personal data will be managed in accordance with the Council's Data Protection policy and the Benefits, Council Tax and Business Rates Privacy Notice [Privacy notice - Housing Benefit and Council Tax Reduction | Middlesbrough Council](#)

**Actions to be taken to implement the recommended decision(s)**

Action	Responsible Officer	Deadline
Implementation and publication of the plan	Janette Savage	Immediately following approval.
Periodic Review of the Scheme	Janette Savage	Every 2 months.

**Appendices**

- Delivery Plan
- Impact Assessment

**Background papers**

Body	Report title	Date
Department for Work and Pensions	Guidance - 1 April 2024 to 30 September 2024: Household Support Fund guidance for county councils and unitary authorities in England	2024

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