

MIDDLESBROUGH COUNCIL

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| Report of: | Director of Finance |
| Relevant Executive Member: | Executive Member for Finance and Governance |
| Submitted to: | Executive |
| Date: | 28 October 2024 |
| Title: | Household Support Fund 2024/2025 |
| Report for: | Decision |
| Status: | Public |
| Council Plan priority: | A healthy place |
| Key decision: | Yes |
| Why: | Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards |
| Subject to call in?: | No |
| Why: | The decision is urgent in that it is required to be implemented immediately and call-in is therefore not possible. |

Proposed decision(s)

That Executive approves:

The Household Support Fund (HSF) delivery plan for 2024/25, which will be delivered between 1 October 2024 and 31 March 2025 and as set out in Table 1 (paragraph 4.7) to target the main groups below where each has a Council Tax or rental liability for their home:

- Families with children in receipt of benefits.
- Pensioners in receipt of Council Tax Reduction but not eligible for the Winter Fuel Payment.
- Pensioners who are not in receipt of Council Tax Reduction subject to the qualifying criteria (listed in table 1, para 4.7).
- Singles/Couples which includes those of pensionable age in receipt of benefits.
- Application-based awards for residents not in receipt of CTR or other benefits.

That any remaining funds following the implementation of the delivery plan are allocated to Council Tax accounts, with a then current award of CTR and where an outstanding balance remains following the issue of a summons in the 2024/25 financial year. The

Council also reserves the right to widen the group to include those accounts not in receipt of CTR. Priority will be given to taxpayers who did not receive HSF from the allocation that remained in September 2024, with the intention that the balances for those in each group will be reduced by the same extent across both schemes so far as is possible.

That delegated authority is provided to the Director of Finance to make any modifications or minor revisions to the scheme and make decisions in respect of any remaining funds to ensure they are distributed in line with the guidance and within the defined timescales. Any revisions or modifications will be made in consultation with the Executive Member for Finance and Governance.

Executive summary

An urgent decision is required as, if made, the decision is required to be implemented immediately and call-in is therefore not possible.

On 2 September 2024 Central Government advised a further round of the Household Support Fund (HSF). Guidance was provided to Local Authorities on 24 September 2024 advising that a detailed plan should be submitted to the Department of Works and Pensions (DWP) by 1 November 2024, hence the short timescale and the need for the urgency of the decision.

The HSF to provide crisis support to vulnerable households in most need with the cost of essentials.

Middlesbrough Council has been allocated £1,653,614.95 and the funds must be distributed between 1 October 2024 and 31 March 2025.

The Council is required to submit a delivery plan to the DWP which has been approved by the Council's Section 151 Officer and Executive by 1 November 2024.

The delivery plan has been designed to provide support to the town's most vulnerable residents and low-income households who have a Council Tax or rental liability for their home in a similar way as for previous rounds, as outlined below:

- Families with children in receipt of benefits.
- Singles/Couples which includes those of pensionable age in receipt of benefits.
- Application-based awards for residents not in receipt of CTR or other benefits.

In addition to the above, the Council acknowledge that a number of pensioners will not receive a Winter Fuel Payment (WFP) this year. The Delivery Plan also includes an element of support for these pensioners:

- Pensioners in receipt of Council Tax Reduction but not eligible for the Winter Fuel Payment.
- Pensioners who are not in receipt of Council Tax Reduction subject to the qualifying criteria (listed in table 1, para 4.7)

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 CTR where an outstanding balance remains following the issue of a summons in the 2024/25 financial year. The Council also reserves the right to widen the group to include those accounts not in receipt of CTR. Priority will be given to taxpayers who did not receive HSF from the allocation that remained in September 2024, with the intention that the balances for those in each group will be reduced by the same extent across both schemes so far as is possible.

The full breakdown and associated estimated costs are outlined in Table 1 (paragraph 4.7)

1. Purpose

To seek approval of the Household Support Fund Scheme (HSF) for the second half of 2024/25 and seek delegated authority to be provided to the Director of Finance to make any modifications or minor revisions to the scheme and make decisions in respect of any remaining funds to ensure they are distributed in line with the guidance and within the defined timescales. Any revisions or modifications will be made in consultation with the Executive Member for Finance and Governance.

2. Recommendations

2.1 That Executive

Approves the HSF delivery plan for 2024/25, which will be delivered between 1 October 2024 and 31 March 2025 and as set out in Table 1 (paragraph 4.7) to target the main groups below where each has a Council Tax or rental liability for their home:

- Families with children in receipt of benefits.
- Pensioners in receipt of Council Tax Reduction but not eligible for the Winter Fuel Payment.
- Pensioners who are not in receipt of Council Tax Reduction subject to the qualifying criteria (listed in table 1, para 4.7).
- Singles/Couples which includes those of pensionable age in receipt of benefits.
- Application-based awards for residents not in receipt of CTR or other benefits.

2.2 Approves that any remaining funds following implementation of the delivery plan are allocated to Council Tax accounts, with a then current award of CTR and where an outstanding balance remains following the issue of a summons in the 2024/25 financial year. The Council also reserves the right to widen the group to include those accounts not in receipt of CTR. Priority will be given to taxpayers who did not receive HSF from the allocation that remained in September 2024, with the intention that the balances for those in each group will be reduced by the same extent across both schemes so far as is possible.

- 2.3 Approves that delegated authority is provided to the Director of Finance to make any modifications or minor revisions to the scheme and make decisions in respect of any remaining funds to ensure they are distributed in line with the guidance and within the defined timescales. Any revisions or modifications will be made in consultation with the Executive Member for Finance and Governance.

3 Rationale for the recommended decision(s)

- 3.1 The Urgent decision is required as Central Government advised of a further round of the HSF. This funding had been due to end on 30 September 2024, the guidance on this was not provided until 24 September 2024, and the HSF delivery plan must be submitted to the DWP by the 1 November 2024, hence the short timescale for implementation.
- 3.2 As the forward work programme requirements in Part 6.32 of the constitution cannot be met, the decision may still be taken in accordance with the General Exception in part 6.35 of the constitution as it is impracticable to deter the decision until it has been included in the next forward work programme and the formalities in part 6.35 have been complied with.
- 3.3 Central Government has provided funding to Local Authorities through the HSF to provide crisis support to vulnerable households in most need with the cost of essentials.
- 3.4 The Council needs to confirm an approach and submit an approved delivery plan to the DWP by 1 November 2024 for awards to be made between 1 October 2024 and 31 March 2025.
- 3.5 The policy is a key decision that impacts on two or more wards and will incur expenditure above £250,000.
- 3.6 The minor amendments that may be required will result in no changes to the threshold to services and support provided.
- 3.7 That delegated authority is provided to the Director of Finance to make any modifications or minor revisions to the scheme and make decisions in respect of any remaining funds to ensure they are distributed in line with the guidance and within the defined timescales. Any revisions or modifications will be made in consultation with the Executive Member for Finance and Governance.

4. Background and relevant information

- 4.1 On 2 September 2024, the Secretary of State for Work and Pensions announced that the HSF would be extended for a further 6 months, from 1 October 2024 to 31 March 2025. [Government support extended to help struggling households with bills and essential costs over winter - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-support-extended-to-help-struggling-households-with-bills-and-essential-costs-over-winter)
- 4.2 Each local authority is required to prepare a local scheme to determine how the funding provided will be allocated. The grant amount allocated to Middlesbrough is £1,653,614.95.

- 4.3 Government guidance requires local authorities to clearly advertise the scheme to residents, including publication on the Council’s website.
- 4.4 The value of individual awards is to be determined by local authorities in accordance with the parameters set out in the guidance.
- 4.5 The proposed scheme is based on the Council’s previous successful HSF schemes and further extended to include an additional amount for pensioners who will not be eligible for the state Winter Fuel Payment under recently changed criteria.
- 4.6 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.
- 4.7 The proposed scheme is set out in Table 1.

Table 1 Household Support Fund 2024

| | Detail | Cost (£m) |
|--|--|------------------|
| Children (up to age 20 if child benefit received) | Households eligible for free school meals £60 payable per child in one payment - automated payment | 0.612 |
| | Application based claim for those in receipt of CTR/UC/HB £60 payable per child in one payment | 0.156 |
| | Section 17 Additional Support | 0.040 |
| | Application based claim for non-CTR/benefit residents £35 for a single applicant, £45 for a couple, £60 per child for households with children | 0.020 |
| Pensioners (from 66 years old) | In receipt of Council Tax Reduction (CTR) but not eligible for the Winter Fuel Payment, per household Born pre-23 September 1944 £200 Born between 23 September 1944 and 22 September 1958 £150 Application and automated payment methods | 0.312 |
| | In receipt of Attendance Allowance, not entitled to the Winter Fuel Payment or another part of the Household Support Funding £100 per household Application based | 0.050 |
| | Application based claim for non-CTR/ non-benefit pensioners Income must be less than £20,000 if single household and £26,000 if a couple £100 per household Application based | 0.083 |
| Other | Back to work incentive Via third party provider | 0.012 |
| | Third party support Applications to Community Grants | 0.058 |

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| | Application based claim for non-CTR/benefit residents. £35 for a single applicant, £45 for a couple | 0.020 |
| | Singles or couples in receipt of CTR / UC / HB (no children). Including pensioners where they are not eligible for the above. £35 single applicant, £45 couple | 0.118 |
| | Community Support (All household composites) Through application for crisis support | 0.040 |
| | Sub Total | 1.521 |
| | Administration Costs @ 8% | 0.132 |
| | TOTAL | 1.653 |

*UC Universal Credit * HB Housing Benefit *

- 4.8 Estimated expenditure equates to £1.521m (excluding administration costs).
- 4.9 In line with the guidance, the Council is able to recover administration costs to deliver the scheme and these have been calculated at £0.132m. This equates to 8% of the scheme funding which is consistent with the previously submitted plan.
- 4.10 Any remaining funds following implementation of the delivery plan (and administrative costs) will be allocated to Council Tax accounts with a then current award of CTR and an outstanding balance remains following the issue of a summons in the 2024/25 financial year. This may also be widened to incorporate accounts not in receipt of CTR. Priority will be given to taxpayers who did not receive HSF from the allocation that remained in September 2024, with the intention that the balances for those in each group will be reduced by the same extent across both schemes so far as is possible.
- 4.11 The scheme has been designed to provide support across the defined six-month period for awards.
- 4.12 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.
- 4.13 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](#).

5. Other potential alternative(s) and why these have not been recommended

- 5.1 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.
- 5.2 Funding could be distributed differently amongst the groups identified or across different groups. The plan presented has taken account of the government guidance and experience gained through prior schemes to ensure maximum reach to those in need of support.

6. Impact(s) of the recommended decision(s)

6.1 *Financial (including procurement and Social Value)*

- 6.1.1 Central Government has allocated the Council £1,653,614.95 from the HSF as outlined in the Executive summary. With an approved delivery plan the Council can distribute funds within the defined timescale between 1 October 2024 and 31 March 2025 to support the town's most vulnerable and low-income households.
- 6.1.2 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 which is consistent with the previously submitted plan. The effect of this will be monitored as part of the quarterly budget monitoring reports to Executive in 2024/25.
- 6.1.3 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 31 March 2025.

6.2 *Legal*

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.

6.3 *Risk*

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](#)

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.

The proposed decision will impact positively on the following risks within the Strategic Risk Register:

SR02 - The risk that **demand and cost of and children's social care** continues to escalate on the scale experienced in 2022/23, is the single biggest risk to the Council's financial viability. More financially sustainable solutions for meeting social care needs of children need to be secured with urgency to ensure delivery within the approved budget

SR03 - The potential for underlying **demand and cost pressures to arise in adult social care** presents a significant risk to the Council's overall financial viability and measures must be put in place to manage within approved budget.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

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.

6.5 Climate Change / Environmental

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.

6.6 Children and Young People Cared for by the Authority and Care Leavers

The HSF 2024/2025 plan does not differentiate based on applicant background and therefore has no adverse impact on children and young people cared for by the Authority for Care Leavers.

6.7 Data Protection

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

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| 1 | Delivery Plan |
| 2 | Impact Assessment |

Background papers

| Body | Report title | Date |
|----------------------------------|---|-------------------|
| Department for Work and Pensions | Household Support Fund: Guidance for County Councils and Unitary Authorities in England (1 October 2024 to 31 March 2025) | 24 September 2024 |

Contact: Janette Savage (Head of Resident and Business Support)
Email: Janette_savage@middlesbrough.gov.uk