

<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Director of Finance and Transformation
<b>Relevant Executive Member:</b>	Executive Member for Finance
<b>Submitted to:</b>	Executive
<b>Date:</b>	14 May 2025
<b>Title:</b>	Household Support Fund 2025/26
<b>Report for:</b>	Decision
<b>Status:</b>	Public
<b>Council Plan priority:</b>	A healthy place
<b>Key decision:</b>	Yes
<b>Why:</b>	Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards
<b>Subject to call in?:</b>	No
<b>Why:</b>	The decision is urgent as the Household Support Fund plan needs to be agreed by both Executive and the Section 151 Officer, and returned to the Department for Work and Pensions by no later than 30 May 2025. Due to the short timescales from being notified of the grant determination, it does not allow sufficient time for any call-in to be considered in order to ensure grant funding of £2,914,447.24 can be secured to assist vulnerable residents.

Proposed decision(s)
<p>That Executive approves:</p> <p>The Household Support Fund (HSF) delivery plan for 2025/26 which will be delivered between 1 April 2025 and 31 March 2026 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:</p> <ul style="list-style-type: none"> <li>• Families with children in receipt of benefits</li> <li>• Singles / Couples in receipt of benefits below pensionable age</li> <li>• Pensioners in receipt of benefits</li> </ul>

- Pensioners in receipt of Council Tax Reduction (CTR) or Attendance Allowance but not eligible for the Winter Fuel Payment
- 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 2025/26 financial year. The Council also reserves the right to widen the group to include those accounts not in receipt of CTR.

That delegated authority is provided to the Director of Finance and Transformation in consultation with the Executive Member for 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.

### **Executive summary**

On 30 October 2024 Central Government advised a further round of the Household Support Fund (HSF) to run from 1 April 2025 to 31 March 2026. Guidance was provided to Local Authorities on 19 March 2025 advising that a detailed plan should be submitted to the Department for Works and Pensions (DWP) by 30 May 2025.

HSF funding provides crisis support to vulnerable households who are most in need with the cost of essentials.

Middlesbrough Council has been allocated £2,914,447.24 and the funds must be distributed between 1 April 2025 and 31 March 2026.

The Council is required to submit a delivery plan to the DWP following approval by the Council's Section 151 Officer and Executive by 30 May 2025.

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 of HSF funding, as outlined below:

- Families with children in receipt of benefits.
- Pensioners in receipt of Council Tax Reduction but not eligible for the Winter Fuel Payment (who could this year receive the full amount of the Winter Fuel Payment from HSF).
- 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

A total of £2.681m will be distributed to the above groups with the remaining 8% (£0.233m) 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 2025/26 financial year. The Council also reserves the right to widen the group to include those accounts not in receipt of CTR.

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

## **1. Purpose**

- 1.1 To seek approval for the HSF scheme for the 2025/26 financial year. In addition, to seek delegated authority to be provided to the Director of Finance and Transformation in consultation with the Executive Member for 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.

## **2. Recommendations**

### **2.1 That Executive**

Approves the HSF delivery plan for 2025/6, which will be delivered between 1 April 2025 and 31 March 2026 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 (who could this year receive the full amount of the Winter Fuel Payment from HSF)
- 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 2025/26 financial year. The Council also reserves the right to widen the group to include those accounts not in receipt of CTR.

- 2.3 Approves that delegated authority to be provided to the Director of Finance and Transformation in consultation with the Executive Member for 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.

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

- 3.1 The urgent decision is required as Central Government have only recently advised of a further round of the HSF. This funding had been due to end on 31 March 2025, the guidance on this was not provided until 19 March 2025, and the HSF delivery plan must

be submitted to the DWP by the 30 May 2025, hence the short timescale for implementation.

- 3.2 Under paragraph 7.25.2 of the constitution, provision is made, under exceptional circumstances, for an urgent decision to be implemented immediately upon a decision being taken and a call-in is therefore not possible. If the HSF plan was subject to a valid call-in, the earliest date for this to be considered by the Overview and Scrutiny Panel would be beyond the deadline date of 30 May 2025. This would then mean that the Council would be unable to access grant funding of £2,914,447.24 which is available to provide crisis support to vulnerable households in most need with the cost of essentials.
- 3.3 The Council need to confirm an approach and submit an approved delivery plan to the DWP by 30 May 2025 for awards to be made between 1 April 2025 to 31 March 2026.
- 3.4 It is a key decision that impacts on two or more wards and will incur expenditure above £250,000.
- 3.5 The minor amendments that may be required will result in no changes to the threshold to services and support provided.
- 3.6 That delegated authority is provided to the Director of Finance and Transformation in consultation with the Executive Member for 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.

#### **4. Background and relevant information**

- 4.1 On 30 October 2024, the Secretary of State for Work and Pensions announced that the HSF would be extended for a further 12 months from 1 April 2025 to 31 March 2026.
- 4.2 Each Local Authority is required to prepare a local scheme to determine how the funding will be provided and will be allocated. The grant amount allocated to Middlesbrough is £2,914,447.24.
- 4.3 Government guidance requires Local Authorities to clearly advertise the scheme to residents, including publication on the Council 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 including an amount for pensioners who are no longer eligible for the state Winter Fuel Payment under the changed criteria introduced in 2024.
- 4.6 The scheme is designed to support vulnerable residents and low-income households which 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 2025/26**

	<b>Detail</b>	<b>Cost (£m)</b>
<b>Children (up to age 20 if child benefit received)</b>	Households eligible for free school meals £60 paid per child in both July and December. Total received £120 per child - automated payment	1.250
	Application based claim for those in receipt of CTR / UC / HB £60 per child, to apply in summer and winter	0.295
	Section 17 Children Act 1989 Additional Support	0.040
	Application based claim for non-CTR / non-benefit residents Income eligibility is banded like CTR scheme on household composition £100 per household (see ** below for bandings)	0.050
<b>Pensioners (from 66 years old)</b>	In receipt of CTR or AA and not eligible for the Winter Fuel Payment ^ Born pre 23 September 1945 £300 per household Born between 23 September 1945 and 22 September 1959 £200 per household Application and automated payment methods	0.340
	Pensioners in receipt of CTR and Pension Credit Guarantee Credit (PCGC) £50 per household Application and automated payment methods	0.186
	Application based claim for non-CTR / non-benefit pensioners Income eligibility is banded like CTR scheme on household composition £100 per household (see ** below for bandings)	0.050
<b>Other</b>	Singles or couples in receipt of CTR / UC / HB (no children and below pension age) £45 single applicant, £55 couple	0.090
	Application based claim for non-CTR / non benefit residents (below pension age) Income eligibility is banded like CTR scheme on household composition £100 per household (see ** below for bandings)	0.050
	Community Support (All household composites) Application for crisis support	0.062
	Third party support	0.268
	<b>Sub total</b>	<b>2.681</b>
	Administration Costs at 8%	0.233
	<b>Total</b>	<b>2.914</b>

\*UC Universal Credit \* HB Housing Benefit \* CTR Council Tax Reduction ^ Dates to fall in line with DWP scheme

\*\* Banded earnings / income table for applications for residents not in receipt of means-tested benefits:

<b>Earnings</b>	<b>Single</b>	<b>Single 1 child</b>	<b>Single 2+ children</b>	<b>Couple</b>	<b>Couple 1 child</b>	<b>Couple 2+ children</b>
Maximum annual (gross)	£30k	£33k	£40k	£40k	£44k	£51k
Weekly amount	£577	£635	£775	£775	£846	£981

4.8 Estimated expenditure equates to £2.681m (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 £0.233m. This equates to 8% of the

scheme funding which is consistent with the level involved with the previous HSF scheme and 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 where an outstanding balance remains following the issue of a summons in the 2025/26 financial year. The criteria may also be widened to incorporate accounts not in receipt of CTR.
- 4.11 The scheme has been designed to provide support across the defined 12-month period available to make awards.
- 4.12 The scheme will be subject to 6 monthly periodic reviews to allow alterations to be made should the scheme requirements need to change to keep pace with events and demand.
- 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, Section 151 Officer and presented to the DWP, the funds cannot be used by the Council to benefit vulnerable residents and low-income households.
- 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)

Topic	Impact
Financial (including procurement and Social Value)	Central Government has allocated the Council £2,914,447.24 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 April 2025 and 31 March 2026 to support the town's most vulnerable and low-income households. 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 2026 to comply with the grant conditions. The Council will retain £233k to administer the scheme therefore there will be no direct cost to the Council.
Legal	Central Government guidance provides Local Authorities with the option to set its own scheme using funding provided. Whilst there are no legal requirements to implement a scheme, should the Council decline, and not return the fully

	approved action plan to the DWP by 30 May 2025, this would subject the Local Authority to criticism by both Central Government and residents of the town as the Council would not be able to provide vulnerable residents with over £2.9 million of crisis support throughout the year.
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. <a href="#">Council Plan   Middlesbrough Council</a> . 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.
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 to this report.
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.
Children and Young People Cared for by the Authority and Care Leavers	The HSF 2025/26 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.
Data Protection	The collation and use of personal data will be managed in accordance with the Council's Data Protection policy and the Housing Benefit and Council Tax Reduction Privacy Notice <a href="#">Privacy notice - Housing Benefit and Council Tax Reduction   Middlesbrough Council</a>

### 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.
Advise DWP of the formal agreement of the delivery plan	Janette Savage	By 30 May 2025
Periodic Review of the Scheme	Janette Savage	6 monthly.

## Appendices

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 April 2025 to 31 March 2026)	11 April 2025

**Contact:** Janette Savage (Head of Resident and Business Support)

**Email:** Janette\_savage@middlesbrough.gov.uk