

For General Release

REPORT TO:	CABINET 22 nd June 2022
SUBJECT:	Distribution of Household Support Fund Grant
LEAD OFFICER:	Susmita Sen, Corporate Director of Housing
CABINET MEMBER:	Cllr Hale, Deputy Mayor Cllr Cummings, Finance Cllr Gatland, Children and Young People Cllr Hopley, Health and Adult Social Care
WARDS:	All
FINANCIAL IMPACT This report concerns the distribution of £3,013,689.49. This sum is entirely grant funded by the Department of Work & Pensions (DWP) so has no direct impact on existing Council budgets.	
KEY DECISION REFERENCE NO.: 3222EM This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors	

1. RECOMMENDATIONS

The Executive Mayor in Cabinet is recommended to:

1.1 Accept the Department for Work and Pension Household Support Fund (HSF) allocation of £3,013,689.49 as set out in this report and make associated budget adjustments;

1.2 Approve the proposal for the distribution and proposed allocation of the HSF in line with Appendix A to this report. This covers a local eligibility framework, an approach to enabling access to grant funding that supports households most in need, and the development of a local delivery approach

1.3 Delegate authority to the Corporate Director of Housing, following consultation with the Executive Mayor to put in place arrangements to effectively govern and administer the fund and awards.

2. EXECUTIVE SUMMARY

- 2.1 The Household Support Fund is for **£3,013,689.49** as allocated by the Department of Work & Pensions (DWP). The fund is ring-fenced. However, the DWP will pay the fund in arrears upon receiving financial returns in July & October 2022.
- 2.2 To mitigate financial risks to the Council and a robust monitoring and reporting system will be put in place. A cost code has been created for the Household Support Fund (C13803). All spend relating to the fund will be made against the cost centre to enable easier tracking of spend. Work will be done with Finance and monthly meetings will be set up so the cost centre and spend can be monitored, and issues can be highlighted and mitigated quickly.
- 2.3 Service will be responsible for recording and tracking their day to day spend from the fund. This will be to allow monitoring of what the fund is being spent on (DWP return) and how much is left in each areas budget. Work will be done with individual services to establish the best practice for reporting, based on how and what they are awarding.
- 2.4 Although all services will be responsible for tracking their own spend, they will need to supply monthly spend reports to the Single Point of Contact (SPOC). The SPOC will be responsible for over-seeing and monitoring the fund and it's spend as well as completing and returning spend information.
- 2.5 To help mitigate the risk of underspend the monitoring process will also identify underspending in services that can be used and other areas.
- 2.6 The above will ensure that:
 - a) The data collected will be sufficient for the DWP MI returns to ensure the monies is paid back
 - b) There is no over spend
 - c) The fund is utilised to the fullest
 - d) The Council can track and report the number of residents supported and what support they received

3. DETAIL

- 3.1 The apportionment of the fund will be as set out in Appendix A of this report.

4. CONSULTATION

- 4.1 Appendix A was drawn up in consultation with all relevant departments. It has been discussed with all Corporate Directors.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The Household Support Fund will be made available to Local Authorities with the purpose of providing targeted financial support for vulnerable resident. Croydon has been awarded £3,013,689.49 to be used between 1 April 2022

and 30 September 2022. This is ring fenced grant income and there is no risk to the GF budgets of the Council.

1 Revenue and Capital consequences of report recommendations

This is ring fenced grant income and there is no risk to the GF budgets of the Council.

2 The effect of the decision

Appendix A sets out the planned areas of spend in order to meet the requirements of the grant.

3 Risks

Delays in implementing the framework could result in the full fund not being spent within the designated time period.

4 Options

Appendix A sets out the options for spend that meet the requirements of the grant.

5 Future savings/efficiencies

Not applicable, this is Grant income for specified usage within the current financial year

6. LEGAL CONSIDERATIONS

- 6.1 Under Section 31 of the Local Government Act 2003 '*A Minister of the Crown may pay a grant to a local authority in England towards expenditure incurred or to be incurred by it*'. In exercise of those powers the Secretary of State for Work and Pensions made the determination known as the Household Support Fund Grant Determination 2022 No. 31/3096 on 20 April 2022 the purpose of which is to provide support for expenditure lawfully incurred or to be incurred by the Council in accordance with specific grant conditions to provide support to households particularly those including children and pensioners who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) to help them with significantly rising living costs.
- 6.2 In addition to this the Council has a general power under Section 1 of the Localism Act 2011 to do anything an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act. Therefore, the Council is able to receive, accept and utilise the grant in accordance with specific grant conditions and relevant guidance.
- 6.3 In administering the HSF the Department of Work and Pensions has issued guidance for local authorities known as '*The Household Support Fund (1 April 2022 to 30 September 2022): final Guidance for county councils and unitary authorities in England*'. The guidance indicates the Council should develop a 'local eligibility framework and approach' to enable access to grant funding that best supports households most in need but includes flexibility to develop a local

delivery approach which fits the schemes objectives. This guidance must be followed when administering the fund and awards must meet frameworks set out in the guidance around ring fenced funding and eligible spend. The guidance also includes requirements around information sharing and the submission of two reports to the DWP detailing how the funding has been distributed, approved by the Chief Finance Officer.

- 6.4 The United Kingdom left the EU on 31 January 2020, and the State Aid regime has been replaced by a similar regime known as 'Subsidy Control'. Under this regime, a subsidy (or in this case a grant) is a measure which is
- given by a public authority; and
 - makes a financial or in kind contribution to an enterprise which is not available on market terms; and
 - affects international trade.

Whilst the giving of a grants is not likely to be caught being unlikely to affect international trade both government and local procurement regulation must be followed. In particular, the DWP guidance explains that: *'the funding is intended to benefit households most in need of support with food, energy bills, related essentials and (exceptionally) housing costs as the economy recovers this winter. The funds should not be used for any economic undertaking. Whichever way you use the funding, including where you work in partnership with others you should consider all subsidy rules (previously known as state aid) and issues. Check whether the 'de minimus' regulation exception applies. You should follow government procurement procedures where relevant.'*

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services & Deputy Monitoring Officer)

7. HUMAN RESOURCES IMPACT

- 7.1 The proposal provides for the recruitment of two temporary Grade 6 staff for 6 months in order to handle the associated workload. These staff will be recruited in line with the Council's recruitment procedure or internal agreed procedures. If any other issues should arise these will be managed under the Council's policies and procedures.

Approved by: Jennifer Sankar, Head of HR Housing Directorate, & Sustainable Communities, Regeneration and Economic Recovery for and on behalf of Dean Shoesmith, Chief People Officer

8. EQUALITIES IMPACT

- 8.1 The distribution of these funds aims to benefit the most disadvantaged groups in the borough. An EQIA has been prepared and is attached at Appendix B to this report. This sets out the actions that the Council will be taking to raise

awareness of the Household Support Fund to maximise its reach to those residents that would most benefit from this report.

Approved by Gavin Handford, Director of Policy, Programmes & Performance

9. ENVIRONMENTAL IMPACT

9.1 There is no identifiable environmental impact from this report.

9.2 Approved by Susmita Sen, Corporate Director, Housing

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 People facing financial challenges and in lower socio-economic groups have a greater risk of being victims of crime and suffering the effects of crime more. By tackling this financial crisis and helping alleviate residents' current circumstances we directly reduce the likelihood of them being a victim of crime. As such these recommendations will help tackle crime and disorder in the borough and have a positive impact on our resident's safety and wellbeing.

10.2 Approved by Kristian Aspinall, Director of Culture & Community Safety

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The apportionment of the grant as set out in Appendix A has been subject to discussion with all relevant officers and is based on the Council's priorities, assessed demand, and our ability to distribute the grant in an effective manner.

12. OPTIONS CONSIDERED AND REJECTED

12.1 The Council could choose not to spend this grant. However, to do so would be detrimental to agreed priorities. Various distributions were considered, with the final choice being based on the criteria set out in 11.1 above.

13. DATA PROTECTION IMPLICATIONS

13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

Data will be shared with Family Fund when the awards are made, as done under the previous Household Support Fund.

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

Yes for previous Household Support Fund, renewed version in progress.

Approved by: Yvonne, Murray Director of Housing - Resident Engagement & Allocations

CONTACT OFFICER: Natasha Jebbison

APPENDICES TO THIS REPORT

Appendix A: Household Support Fund Proposal April – September 2022

Appendix B: Equality Analysis Form – Household Support Fund – April – September 2022

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

[For executive decision making it is a requirement that all Part A (open) reports & Part B reports (closed) must list and provide an electronic and a printed copy of all background reference.]