



**Havering**  
LONDON BOROUGH

## Notice of KEY Executive Decision

<b>Subject Heading:</b>	Household Support Fund extension 2024
<b>Decision Maker:</b>	Councillor Ray Morgon
<b>Cabinet Member:</b>	Councillor Chris Wilkins
<b>ELT Lead:</b>	Kathy Freeman
<b>Report Author and contact details:</b>	James Hunt James.hunt@havering.gov.uk
<b>Policy context:</b>	To give vulnerable households such as those including children, pensioners and care leavers who would otherwise struggle with energy bills, food or other essential living costs, financial support from 1 April 2024 to 30 September 2024
<b>Financial summary:</b>	A ring-fenced government grant of £1,648,150.98 has been made available for the period 1 April 2024 to 30 September 2024 to support local expenditure including administrative costs of the Housing Support Fund extension 2024.
<b>Reason decision is Key</b>	Expenditure (including anticipated income) of £500,000 or more. Significant effect on two or more Wards.
<b>Date notice given of intended decision:</b>	8 April 2024

**Key Executive Decision**

<b>Relevant OSC:</b>	Overview and Scrutiny Board
<b>Is it an urgent decision?</b>	No.
<b>Is this decision exempt from being called-in?</b>	No

**The subject matter of this report deals with the following Council Objectives**

People - Supporting our residents to stay safe and well **X**

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

On the 26 March 2024 the government confirmed the extension of the Household Support Fund (extension) to further extend previous scheme from 1 April 2023 to 31 March 2024. The HSF Extension continues to support those households most in need due to the rising cost of living.

Havering has been allocated £1,648,150.98 to be distributed from 1 April 2024 to 30 September 2024.

The recommendations below have been made with due regard to Government guidance, the Council's Cost of Living Strategy and Section 17 of the Children Act 1989 to support vulnerable and low income individuals and families.

#### Recommendations

1. To approve the Emergency Assistance Scheme policy as attached at Appendix D
2. To approve the use / allocation / distribution of the Household Support Fund grant in accordance with the proposals contained within this report (subject to 3 below).
3. To delegate to the Strategic Director of Resources the ability to authorise changes to the funding proposals contained within this report so as to maximise the Council's ability to spend and / or distribute the grant by the deadline of 30 September 2024.

### AUTHORITY UNDER WHICH DECISION IS MADE

The Leader of the Council is responsible for arranging for the exercise of all executive functions... And may exercise any Executive functions personally provided notice is given to the Proper Officer.

(d) To determine the Council's policy, strategy and programme in relation to the area and in respect of all Executive matters.

(q) To approve applications for the submission of bids for grants and other financial assistance which require the provision of additional finance or match funding or are likely to lead to residual costs or implications for the Council or where the amount of the grant application exceeds £500,000 and to accept such funding when granted.

### STATEMENT OF THE REASONS FOR THE DECISION

#### 1.0 Introduction

## Key Executive Decision

- 1.1 In the Autumn Statement on the 6 March 2024, Government announced that the Household Support Fund would be extended from 1 April 2024 to 30 September 2024. Details of the launch are contained in the letter dated 26 March 2024 which is attached at Appendix A Household Support Fund (24).
- 1.2 Government has provided guidance on how to spend the HSF Extension grant which is like previous years. A summary of the guidance is provided in this report. Appendix B Household Support Fund (24) Guidance contains the full version of the guidance.
- 1.3 £1,648,150.98 has been allocated to Havering to fund scheme expenditure and the cost of administration. Funding details for England are attached at Appendix C Household Support Fund (2024) Grant Determination.

### **2.0 HSF Extension Summary of Government Guidance and Grant Conditions**

- 2.1 Government guidance remains like previous HSF funding schemes in that councils are expected to use the grant to continue to support vulnerable households in most need who would otherwise struggle with energy bills, food, water bills and other essential costs. HSF Extension should also be used to support households who may not be eligible for other support government has recently made available but who are nevertheless in need and who require crisis support.
- 2.2 The HSF Extension should support low-income households including large families, single-income families, families with children of all ages, pensioners, unpaid carers, care leavers and disabled people.
- 2.3 Additionally, HSF Extension can be used to support housing costs where existing housing support schemes do not meet this need.
- 2.4 When administering this scheme, councils are encouraged to adopt the following principles:
  - Use discretion on how to identify and support those most in need.
  - Use the funding to meet immediate needs and help those who are struggling to afford energy, food and water bills, and other related essentials. Funding can also be used to support households who are struggling to afford wider essentials.
  - In exceptional cases of genuine emergency, the funding can additionally be used to support housing costs where existing housing support schemes including homelessness prevention grants do not meet this exceptional need. HSF 4 cannot provide mortgage support.
  - Work together where necessary and appropriate with other local services, such as social and care workers to help identify and support households within the scope of the scheme.

## Key Executive Decision

- 2.5 It is mandatory for Authorities to make public their plans for The Fund, including how and when they intend to deliver the application-based portion of their scheme. This should be through a website page dedicated to the Fund headed with 'Household Support Fund' on their Authority website.
- 2.6 With regard to communications, Government have now made it mandatory for Authorities to reference that the grant is funded by the DWP/Government in any publicity material, including online channels and media releases. There should be a dedicated website that links to the Government's [Cost of Living Hub](#) should be included, as well as a specific reference that the grant is funded by the Department for Work and Pensions or the UK Government.
- 2.7 While the primary intention of the HSF Extension is to provide crisis support, Government advise councils can use the fund for complementary advice services which should not be a significant portion of the fund.
- 2.8 Eligible spend includes the following items:
- Energy and water.
  - Food.
  - Essentials linked to energy and water. For example, period products, warm clothing, soap, blankets, the repair or purchase of equipment such as fridges, freezers, ovens, slow cookers), in recognition that a range of costs may arise which directly affect a household's ability to afford or access energy, food and water.
  - Wider essentials. These may include, but are not limited to, support with other bills including broadband or phone bills, clothing, and essential transport-related costs such as repairing a car, buying a bicycle, or paying for fuel.
  - Housing costs. In exceptional cases of genuine emergency, where existing housing support schemes do not meet this exceptional need, the Fund can be used to support housing costs.
  - Reasonable administrative costs. This includes staff, IT, web page design, advertising and print costs
- 2.9 Councils may grant payments directly on to council tax accounts where the vulnerable household has a council tax liability and where it will directly help that household with immediate cost pressures. Council Tax accounts can be used as a means of distributing the grant particularly to people of pension age.
- 2.10 Councils can also provide a basic safety net to individuals with no recourse to public funds.
- 2.11 Authorities are required to complete a delivery plan to outline their intentions and send it to the DWP by 10 May 2024.

## Key Executive Decision

- 2.12 There must be an application-based service for support to ensure those in need have a route to emergency support.
- 2.13 Authorities can use the DWP system Searchlight, to verify welfare benefits.
- 2.14 Councils must also manage the risk of fraud and consider household income and rent liability to ensure support is going to those in genuine need. Where possible, any payments made into a bank account should be in the same name of the person that is eligible for that payment.
- 2.16 Payment of the HSF Extension to Authorities will be paid in arrears after the submission of a Statement of Grant Usage form. At present, there is no direction from the Secretary of State when these submissions will be required. If HSF Extension follows the previous submission regime, then this will be quarterly.

### **3.0 Proposals to spend the HSF Extension Grant**

- 3.1 Havering has developed a local delivery framework and approach which is flexible and ensures the conditions and principles of the Housing Support Fund Extension guidance are met.
- 3.2 Officers have used their local knowledge of residents to maximise assistance to those most in need across the borough. Data shows that 97% of applicants are deemed as low-income, 58% are low-income families with children, 7% are pensioner households and 68% are households who are in Millennial and Gen Z generations. We expect that this trend to continue.
- 3.3 In determining how HSF extension was to be spent the following principles were agreed:
- Must evidence impact
  - Must not replace normal council spend
  - Minimise/minimal administration costs
  - Try and provide services after the end of HSF

The proposals for expenditure of the HSF Extension grant are set out below.

### **3.4 Food Distribution Network £50,000**

- 3.5 Our data shows that food is the main reason people apply to the EAS for help.
- 3.6 There are a network of food banks in Havering which rely on donations to function. Unlike in other boroughs there is no Food Alliance which helps source and distribute food.
- 3.6 Setting up a distribution network to move food which is going to waste to the already established food bank network allows to support residents but to also help our strategies for Climate change and Healthy weights.
- 3.7 Most importantly, it will leave a legacy after the end of the HSF.

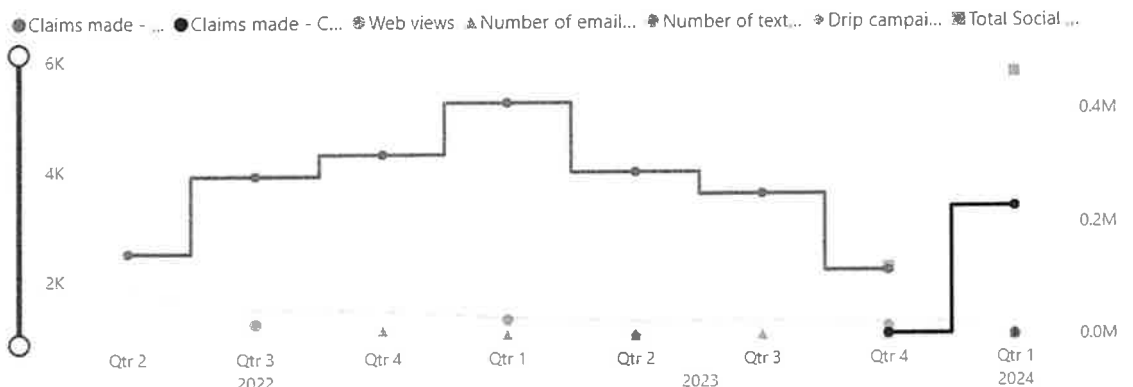
## Key Executive Decision

- 3.8 The money will help Identify refrigerated storage facilities necessary to house required donated food. Assess refrigerated transportation vehicles or insulated containers costs to maintain food safety during delivery
- 3.9 The funding will also help develop and implement a food alliance made up of all partners from the borough. This work has already started and seeks to coordinate food suppliers, food banks and charities to help more families in food poverty.
- 3.10 The development of Havering's food alliance is being undertaken by Tapestry and they are currently seeking funding from partners to continue to develop this partnership.
- 3.11 Since April 2022, over 12,000 applications to the EAS stated 'food' as the main reason for their application. Increasing the access and availability will have a significant impact on the lives of residents and the amount of applicants to the EAS.

### **3.12 Emergency Assistance Scheme (EAS) £ 660,000**

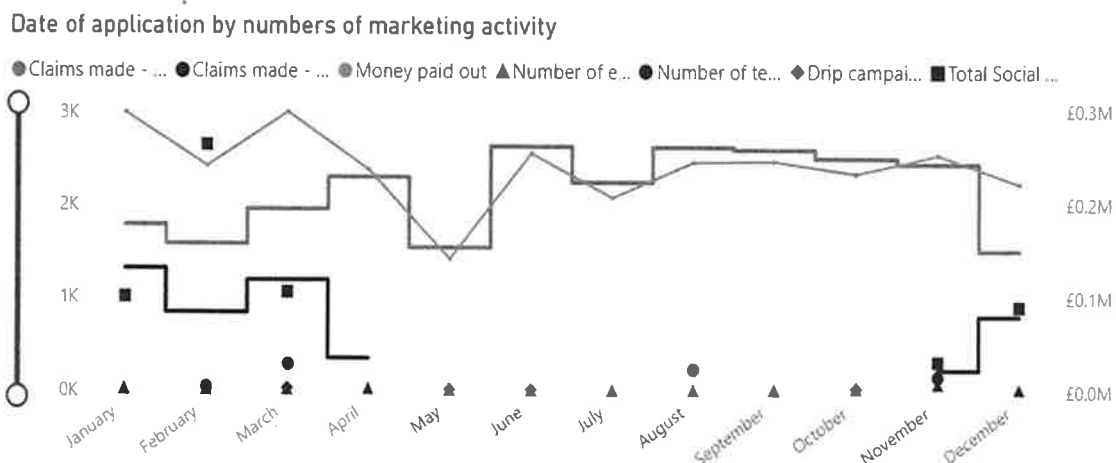
- 3.13 The EAS has been running for several years. It gives money towards white goods, furniture and cash payments to those people who find themselves in financial difficulty.
- 3.14 The last financial year saw over £1.3 million paid out and over 14,100 applications made. The [Cost of Living dashboard](#) holds more detailed information.
- 3.15 In processing claims for emergency assistance, evidence of income is always required and welfare benefits are verified through the Council's and DWP's computer systems.
- 3.16 As we have reduced the other areas of spend for HSF extension the monthly budget for EAS is increased to £110,000 per month. The graph below shows the numbers of application made, per quarter, since April 2022:

Date of application by numbers of marketing activity



## Key Executive Decision

The light blue line is the EAS managed by DADB and the dark blue managed by the Council.



The graph above compares the number of applications by month for the recent Council run service and the last two years it was run by DADB.

Comparing month on month there has been a drop between 26% and 39% in the number of applications between the time DADB managed the fund and the Council.

Whilst demand has fallen since the peak of the start of 2023 the average monthly spend since Q1 2023 was £121,622 to last quarter of £106,933. Therefore, an estimate of £110,000 a month should be able to meet demand.

3.17 An amended EAS policy can be found at Appendix D The Emergency Assistance Scheme Policy 2024

3.18 The EAS is run by the Refugee and Crisis team, they have also been running the Cost of Living helpline.

### **3.19 Free school holiday meals for children of eligible families £698,150**

3.20 Officers seek to ensure that children of families on welfare benefits eligible for free school meals do not go hungry during the school holidays. Allocating funding direct to this cohort will assist reduce child poverty in the borough and free up money for families to spend on other essential items.

3.21 It is proposed that £698,150 of the HSF extension fund is used to make payments of £15 per week to up to 9,000 eligible families to help pay for meals during the 2024 summer holiday. This will assist relieve pressure on low income families with children struggling with the increased cost of living.

3.22 Based on previous iterations of this scheme, approximately 15% of families do not apply for the school meal payment in the holidays therefore the allocation has been reduced accordingly. In the unlikely event that every eligible family claimed the holiday meal payment, this could be funded from the Emergency



## Key Executive Decision

Assistance Scheme reserve and other Holiday programmes which have started this year in order to prepare residents for the ending of this scheme. Therefore:

£15 x 9,000 eligible families x 6 week summer holiday = £810,000

15% of families not applying = **£698,150**

### **3.23 Council Tax Discretionary fund £95,000**

3.24 As council tax bills are going to increase from 1 April 2024, the discretionary fund will be able to support those residents on low incomes adjust to the change.

3.25 The fund will be combined with the same process as the EAS application process. This will mean residents will only have to apply once, submit information once but they will be applying to multiple support funds at the same time. The data says that when funds are merged pay outs increase for each fund.

### **3.26 Transition from Housing Benefit (HB) to Universal Credit (UC) £40,000**

3.27 From April 2024 the DWP will be moving any existing claimant who is receiving HB to UC.

3.28 The process to do this will be to cease payments of HB and encourage claimants to apply for UC. As with previous studies of benefit uptake, we know there will be a small but significant group of residents who will not re-apply for UC.

3.29 Furthermore, UC is paid directly to the claimant whereas HB is paid direct to the landlord. From studies which measure the impact of the rollout of UC we know that this will lead to a small but significant number of households getting into financial difficulty.

3.30 Whilst we have existing funds in place to help households like these (DHP and EAS) they cannot help to the degree of money needed nor are they funded adequately to the potential levels of need. The number of households affected in Havering is just over three thousand (equally split between Council and Private tenants). With the housing register currently seeing the highest number of approaches even if a small percentage of households are threatened with eviction it will have a significant impact on Council resources. It is estimated that funds needed to cover the potential rent arrears from this switch over is likely to be far higher than the £40,000 allocated. Claimants of UC have a 6 week delay between acceptance and their first payment. This has the potential to generate very high rent arrears. Work has already started to try and mitigate the potential impact on residents and council services.

### **3.31 Community Hubs £75,000**

3.32 It is proposed that £46,000 is allocated to support staffing costs in the oversight of logistics and operations for Havering's two community hubs, based in Harold Hill and Rainham. This would pay for a member of staff to manage the hubs,

## Key Executive Decision

including liaison with partners and providers, overseeing stock delivery and customer satisfaction, ensuring scalability of the offer as it is currently over-subscribed, and identifying outreach opportunities to target residents who would find the hubs of benefit.

Cost is made up of 1x G7 at £46,000

- 3.33 That £29,000 is used to expand the food pantry offer in line with Havering's obesity strategy, including building capacity in oversubscribed services, identifying progression opportunities to support long-term food pantry users and building links with hot food provision led by the voluntary sector

### 3.34 Cost of Administration £35,000

- 3.35 To ensure as much money goes to residents, administration of these monies will be included in the day-to-day running of the appropriate service. There is one staff member TUPE from DADB hired applications for the EAS and is the only administration cost included.

- 3.36 Table of proposed HSF 4 expenditure.

<b>Service</b>	<b>Estimated Administration Costs</b>	<b>Estimated Scheme Costs</b>
Emergency Assistance Scheme	£35,000	£660,000
Council Tax Discretionary Fund		£95,000
HB to UC		£40,000
Community Hubs		£46,000
School Holiday meals		£698,150
Food Distribution Network		£50,000
<b>Grand Total</b>	<b>£35,000</b>	<b>£1,589,150</b>

- 3.37 Scheme expenditure costs will be monitored to ensure they stay within budget.

## **4.0 Media and Communication**

- 4.1 A marketing plan and campaigns during the year will continue to promote HSF extension in line with Government to ensure take up is maximized. The fund will be promoted under the ongoing Cost of Living Marketing campaign.

## Key Executive Decision

4.2 Marketing will be directed towards young, single households, elderly people, disable households, homes with pre-meters and low income families.

4.3 Frontline staff will be made aware of the funding and can continue to make referrals on behalf of their clients to the HSF extension schemes.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

The Emergency Assistance, free school holidays meals and other council run schemes are now well established and operating efficiently. These schemes provide greater choice of purchase for the applicant as they are paid by BACs. For these reasons allocating funding to food banks and paying by food vouchers was considered and discarded.

Commissioning external providers to manage the schemes was also considered and rejected as the Council Services mentioned in this report have experience and knowledge of their schemes and customers and can expedite payment. As we have agreed to remove administration fees and cover the cost in current budgets the council will be more cost efficient than any other provider.

The tight deadline to spend HSF extension money does not allow for any re-procurement of services.

As the food distribution network is part of the wider work in developing a food alliance under the poverty reduction and Healthy weight strategies, we will be using the NHS and VCS partners already involved.

Using the current reserve of £1.2 million to fund the EAS was rejected as the HSF extension is primarily for helping low income families.

### **PRE-DECISION CONSULTATION**


While there is no statutory requirement for a public consultation, SLT members, Children and Adults Services, Responding to the Cost-of-Living Crisis Strategic Group, Policy and Regeneration and Exchequer and Transactional Services have been consulted regarding this decision.

### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: James Hunt

Designation: Head of Housing Strategy

**Key Executive Decision**

<p>Signature: Date:</p>	 27 March 2024
-----------------------------	---

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

The Housing Support fund is made available to councils under s31 of the Local Government Act 2003.

The Emergency Assistance Scheme is a discretionary scheme set up in accordance with the Council's powers under Section 1 of the Localism Act 2011 whose criteria fully meet the conditions set out for HSF 4 expenditure.

The recommendations within this report adhere to the guidance for the Household Support Fund 3 for families and people of pension age, as well as promoting the welfare of children in accordance with Section 17 of the Children Act 1989.

### **FINANCIAL IMPLICATIONS AND RISKS**

The DWP ring-fenced funding of £1,648,150.98 has been provided to cover the period from 1 April 2024 to 30 September 2024.

The amount allocated to the Emergency Assistance Scheme of £540,000 should be sufficient to cover the period to 30 September and the service will be monitoring expenditure closely. If expenditure should exceed the budget allocated, the emergency assistance scheme reserve can cover the shortfall.

There will be a need to consider how the continuation of the EAS and food distribution network will be funded beyond the end of the of the HSF funding.

Currently, in reserves, from previous funding of this type, is £1.2 million.

Grant payments will be made by the DWP upon submission of quarterly returns in July covering April to June and in October covering July to September.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

The staff member, who was TUPE'd over from DADB, position is entirely funded by HSF extension. Therefore, failure to approve this ED will result in this staff member being made redundant (which would be managed in accordance with the Council's HR policies and procedures). At the end of September 2024 a decision will need to be made about the future funding of this role. If no funding is found, then the staff member would go through redundancy (which would be managed in accordance with the Council's HR policies and procedures).

## **Key Executive Decision**

There will be additional verification and processing work arising from the Household Support Fund for Children's Services, Exchequer and Transactional Services and other departments. As this fund has been running for several years the administrative burden is now very low. Furthermore, no staff is specifically hired to administrate the HSF extension. The small burden can be covered by existing teams.

## **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender and sexual orientation.

The Council is committed to the Equalities Duty in the provision and commissioning of its services. An Equality & Health Impact Assessment is attached at Appendix E EqHIA Household Support Fund extension 2024. As EqHIA are re-assessed every 2 years the previous one from HSF 4 is included.

In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. The recommendations for approval in this report will be essential to support the financial health of families with children and pensioners during the cost of living crisis.

## Key Executive Decision

### **HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

Havering council is committed to improving the health and wellbeing of all residents including those most vulnerable. Research has shown there is a clear correlation between poverty and health. The purpose of this decision is to provide financial support to low-income families with children, pensioners and vulnerable residents to ensure they have adequate nutrition and warmth during the winter months and to minimise the health impact of the cost-of-living crisis on them, thereby reducing the risks of illnesses, poor mental health, homelessness and excess winter deaths.

The financial support provided to vulnerable households in the borough will have a positive impact on residents' health and wellbeing. The transition Universal Credit can have a potential to improve the resilience of the residents concerned.

There are no identifiable risks or negative implications to this report.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

There are no environmental and climate change implications or risks to this report.

### **BACKGROUND PAPERS**

None

### **APPENDICIES**

Appendix A Household Support Fund (2024) Launch Letter  
Appendix B Household Support Fund (2024) Guidance  
Appendix C Household Support Fund (24) Grant Determination  
Appendix D Emergency Assistance Scheme Policy 2024-25  
Appendix E EqHIA Household Support Fund Extension

Key Executive Decision

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

*Delete as applicable*

~~Proposal NOT agreed because~~

**Details of decision maker**

Signed



Name:

CLL RAY MORGAN

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

21/5/24

**Lodging this notice**

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_