

NOT CONFIDENTIAL – For public release

Council

26 July 2022

Report of the Director of Housing

HOUSEHOLD SUPPORT FUND

PURPOSE OF REPORT

To inform Members of the outcome of the initial Household Support Fund period 16th October 2021 to 31 March 2022 and the proposals for the Household Support Fund 2 for period 1st April 2022 to 30th September 2022.

RECOMMENDATIONS

1. The outturn for the first round is noted.
2. That approval is given for the delivery of round 2 as set out in the report.
3. That approval is given to a supplementary revenue estimate of £100,000 in 2022/23 for expenditure associated with the Household Support Fund, to be funded by grants (£84,000 from the Household Support Fund allocation and £16,000 from homelessness prevention grant).

WARDS AFFECTED

District wide

STRATEGIC LINK

The Household Support Fund directly supports households experiencing financial difficulties relating to rent arrears, utility bills and other debts. Such issues can have a long lasting detrimental impact on the ability of residents to maintain rental payments and can lead to homelessness. The provision of the Fund therefore meets the Council's objective of reducing homelessness.

1 BACKGROUND

- 1.1 The government has made various grant awards to local authorities in order to deliver targeted financial support to business, communities and households as a result of covid and to support the post covid recovery. The Household Support Fund is one such grant and in October 2021 government announced a £421m fund for county councils and unitary authorities. The funding was to be spent between 6th October 2021 and 31st March 2022. Upper tier councils were encouraged to pass on a proportion of this fund to lower tier authorities. In Derbyshire this meant that the

County Council received approx. £5m and passed on £200,000 to each district and borough council.

- 1.2 This programme moved at some considerable pace, not least because of the tight timeframe to spend the grant but also because the exact details were not fully developed until mid November. Each district and borough council were asked to submit a brief bid showing how they would spend the grant against the grant criteria. The expectation was that it should primarily be used to support households in the most need with food, energy and water bills. It could also be used to support households with essential costs related to those items and with wider essential costs. In exceptional cases of genuine emergency it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need. At least 50% of the total funding must be spent on families with children.
- 1.2 The District Council's bid to Derbyshire County Council for the Household Support Fund is attached at Appendix 1. In summary the proposal focused on expanding the Council's existing scheme of financial support including helping with rent arrears, utility costs, food, transport, council tax and housing benefit arrears. A small proportion of the fund was used to cover staff costs. There was no capacity in the Housing team to add the assessment work to the existing workload of staff. However two part time staff took on extra hours to deliver the scheme at their normal rate of pay.
- 1.3 The project delivered on the outcomes required by the fund with the following breakdown;
- Housing Benefit Support = £30,366.19 (85 households)
 - Council Tax Support = £20,671.98 (12 households)
 - Housing Support = £150,882.83 (253 households)

The tables below have been extracted from the final return to Derbyshire County Council. The figures reflect the delivery of a successful programme, including some additional grant that was recirculated from another council which had underspent their allocation. The case studies set out in Appendix 2 highlight the precarious financial position of some residents and the impact of the grant. A small number of households benefited from payments across more than one category.

Table 3: Total Value of Awards split by Household				
		a) Households with Children	b) Households without Children	c) Total (a+b)
Row 1	Spend (£s)	130428.5	71492.5	201921
Row 2	Volumes	215	135	350

Table 4: Total Value of Awards Split by Category							
		a) Food	b) Energy and Water	c) Essentials linked to Energy and	d) Wider Essentials	e) Housing Costs	e) Total (a+b+c+d+e)
Row 1	Spend (£s)	4013	1882	700	1425	193901	201921
Row 2	Volumes	134	5	2	8	209	358

- 1.4 The District Council's delivery of the project was aided by the willingness of staff to work extra hours and by corporate working with colleagues in Revenues and Benefits who picked up the additional work relating to Housing Benefit and Council Tax. The majority of the grant awards made through the Housing team supported social housing tenants in rent arrears and at risk of eviction.

2 HOUSEHOLD SUPPORT FUND ROUND 2

- 2.1 In the Spring Statement the Chancellor announced further HSF funds to cover the summer period up to 30 September. The additional £5.4m Household Support Fund will complement the existing financial support measures available, including those from the Derbyshire Discretionary Fund. All payments provided by the fund must be made by the end of September 2022. Local district and borough councils have been awarded funds to help with council tax and rent arrears, homelessness and temporary housing. Grants will be used to reduce expenditure so that rent and priority bills can be paid. Derbyshire Dales District Council has been awarded £84,000 for this funding period. One third of the total £5.4m must be spent on those of pensionable age. The County Council have therefore reduced the allocation to district and borough councils to reflect the different criteria for round 2.
- 2.1 The timetable for the delivery of the HSF is again challenging with only 3 months remaining to spend the Council's allocation. Although the allocation has been reduced, as with Round 1, it is proposed to focus on housing related costs. A proportion will also be available to colleagues in Revenues and Benefits. The primary aim being to reduce the threat of eviction and help vulnerable residents maintain their tenancy. In terms of delivery by the housing team, rather than rely on staff working additional hours, it is proposed to increase the working hours of one part time member of the team for a fixed period. The cost can be covered by the grant.
- 2.2 The District Council has received some additional grant funding direct from government to support homelessness prevention activities. It is proposed to direct a proportion of the funding available and add it to the HSF allocation increasing the total allocation to £100,000. Given the available time to deliver the grant and the extra staff hours secured within the Housing team, the total allocation of £100,000 should be delivered by the 30th September.
- 2.3 There may be further rounds of HSF announced later in the year. It is likely these will have similar spending windows which in turn will put pressure on the Housing team and the Revenues and Benefits team to deliver.

3 RISK ASSESSMENT

Legal

This report is to inform Members of the outcome of Household Support Fund period 16th October 2021 to 31 March 2022 and the proposals for the Household Support Fund 2 for period 1st April 2022 to 30th September 2022 and contains requests for authorisation for 3 recommendations. The Legal risk connected to this report has been assessed as low

Financial

- 3.1 There is no revenue budget for this expenditure so it is necessary to seek approval for a supplementary revenue estimate of £100,000 in 2022/23. However, as indicated in the report, the expenditure will be funded by grants (£84,000 from the Household Support Fund allocation and £16,000 from homelessness prevention grant). Expenditure will be monitored by officers to ensure that it does not exceed the grant available. The financial risk is therefore assessed as low.

4 OTHER CONSIDERATIONS

- 4.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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6 ATTACHMENTS

Appendix 1 November 2021 Household Support Fund Bid

Appendix 1: November 2021 Household Support Fund Bid

Introduction

DDDC already have a homelessness prevention scheme in place. This scheme, which draws on the annual homelessness prevention grant allows us to help vulnerable households (families and singles) across the housing sector who are threatened with or experiencing homelessness. Expanding this scheme will remove the need to create any new processes. DDDC will not advertise the fund, instead staff from the Housing Team and Housing Benefit & Council Tax will review existing cases. We will also work with CAB, Age UK and Adullam HA who all provide support to vulnerable households experiencing financial hardship.

We are currently able to provide the following interventions in relation to preventing and relieving homelessness

1. Help with rent deposits and rent in advance payments
2. Help with utility costs
3. Help with food shopping costs and other essential spends
4. Transport costs to attend interviews for accommodation
5. Payments for rent arrears to help people being re housed

Current climate and future risks

Applications relating to rent arrears and threats of eviction from the private and social rented sectors remain high and we anticipate this to continue in to 2022/23. Rent arrears will be the number one issue and we are now seeing families who were furloughed needing help with rent arrears in order to prevent homelessness

Uses for the household support grant

The additional funding available will be utilised to further support households facing financial hardship and/or threatened with homelessness.

We would like to request £200,000 from the additional monies available to expand the homeless prevention services already in place. Our indicative proposal at this stage is;

- £25,000 for the discretionary housing benefit payment fund to alleviate financial hardship
- Top-up payments for people with council tax arrears who are facing legal action due to financial hardship £27,000
- Additional homeless prevention funds to assist those threatened with homelessness in social tenancies £45,940
- Clearing arrears for households experiencing financial hardship/threatened with homelessness £48,000
- Emergency welfare payments for those in temporary accommodation provided by the Authority or to establish tenancies/relieve homelessness £15,000
- Food payments, Energy and Water arrears £35,000
- Admin costs £4060

The Council have considered the use of these funds for administration. To ensure we deliver the proposals in a timely manner we propose offering some additional hours to two part time staff in the Homelessness Team at an estimated cost of £4060.

Any payments under this initiative will be authorised by Simon Beynon Homelessness lead, Carolyn Szadura, Council Tax Manager or Paul Radcliffe, Benefits Manager and recorded using the matrix already provided.

Appendix 2 Case Studies from HSF 1

1) Mr # & family received a notice of intention to begin proceeding for possession of their privately rented home due to accruing a high level of rent arrears. Due to job loss the family had started to claim UC but failed to include the housing element. With assistance from Derbyshire Law Centre (DLC) & DDDC Floating Support Team they were successful in claiming a large proportion of the rent with a backdated award from UC. This still however left a substantial amount outstanding.

Referrals came in from the supporting agencies for help from the Household Support Fund to assist with clearing the remaining amount of arrears and court costs. On awarding this money DLC were able to reach an agreement with the other side whereby proceedings were adjourned on the basis that Mr # pays his current rent moving forward. Therefore avoiding any possession order or suspended possession order at this time.

The success of joint agency working and payment from the HSF meant a great result, securing the accommodation for the family to remain and removing the threat of homelessness.

2) Miss # and her family were referred to the Household Support Fund as they were struggling financially and had unfortunately breached a court order that was imposed in February 2020. Miss # and her family were at severe risk of eviction.

Their landlord made the referral to the Household Support Fund to try and assist the family with their situation and to reduce or clear their rent arrears. On being able to award the full amount and clearing the arrears in full the landlord wrote to Miss # to inform her of the application outcome.

On receipt of the letter Miss # phoned the team at the Council directly to check that her arrears really had been cleared in full as she couldn't quite believe it and burst into tears on hearing it was true. She was so happy and truly grateful that we had assisted her and explained how much it meant to her and her family and the difference it would make to them financially now that the arrears were cleared.