



**OPEN REPORT
COMMUNITY AND ENVIRONMENT COMMITTEE**

Community and Environment Committee – 7 December 2022

HOUSEHOLD SUPPORT FUND – ROUND 3

Report of Director of Housing

Report Author and Contact Details

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Wards Affected

District wide

Report Summary

The Household Support Fund Round 3 (HSF3) 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 Department for Work and Pensions (DWP) has made a further round of funding available to upper tier authorities. In Derbyshire the County Council has confirmed that it will allocate £92,729 to Derbyshire Dales DC. As with rounds 1 and 2 it is proposed to deliver grants direct to residents through the Housing Team and Revenues and Benefits service.

Recommendation

1. That approval be given to the delivery of Round 3 of the Household Support Fund as set out in the report

List of Appendices

Appendix 1 DDDC bid to DCC

Background Papers

Household Support Fund report to Full Council 26th July 2022.

Consideration of report by Council or other committee

No

Council Approval Required

No

Exempt from Press or Public
No

Household Support Fund – Round 3

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 2022 government announced a significant fund for county councils and unitary authorities. The funding has to be spent between 1st October 2022 and 31st March 2023. 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. £5.4m and passed on £900,000 to district and borough councils. The Derbyshire Dales allocation is £92,729 (compared to £83,166 for HSF2).
- 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 by DWP until mid-November. Each district and borough council was 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.
- 1.3 The District Council's bid to Derbyshire County Council for the Household Support Fund Round 3 is attached at Appendix 1. In summary the proposal focuses 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 will be used to cover staff costs.
- 1.4 The Council's work through HSF1 supported 358 vulnerable households, spending £201,921. Through HSF2 supported 177 vulnerable households, spending £99,899.
- 1.5 The HSF is just one of the many services the District Council either provides direct or through commissioning of services to vulnerable households. The cost of living crisis is a very real issue for residents but help is available through the Council's own Housing Advice and Homelessness Service, the Home-Options Support Service, the CAB and Age UK. Collectively these services both reduce debt and help residents to access benefits and other financial support.

2. Key Issues

- 2.1 The Chancellor announced further HSF funds to cover the winter period up to the end of March 2023. The additional £92,729 Household Support Fund allocation will complement the existing financial support measures

available, including those from the Derbyshire Discretionary Fund. All payments provided by the HSF3 must be made by the end of March 2023.

- 2.2 The timetable for the delivery of the HSF is again challenging with only 4 months remaining to spend the Council's allocation. As with Round 2, 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 maintain the extended working hours of one part time member of the team for a fixed period. The cost can be covered by the grant.
- 2.3 The Chancellor has indicated there will be further rounds of HSF announced later in during 2023/34. 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. The District Council's delivery of HSF 1 & 2 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 Benefits and Council Tax. The majority of the grant awards made though the Housing team supported social housing tenants in rent arrears and at risk of eviction.

3. Options Considered and Recommended Proposal

- 3.1 Delivery of HSF3 has clear benefits to residents of the Dales and will support the council in the delivery of its services, particularly Housing and Revenues and Benefits.
- 3.2 As with previous rounds it is considered appropriate to split the allocation between the direct prevention of homelessness and provision of support to people with Council Tax and Housing Benefit arrears.

4. Consultation

- 4.1 There is limited opportunity for consultation given the pressing timetable, however the Council is spending the grant within the remit of the HSF3 grant award.

5. Timetable for Implementation

- 5.1 The national grant announcement was made in October 2022 but DDCC did not get formal notification until the 8th November. The Council was notified of the exact allocation on the 21st November. DDDC must spend the grant by the end of March 2023.

6. Policy Implications

- 6.1 The HSF3 directly supports people affected by the cost of living crisis. The fund will also help the Council discharge its statutory homeless duties to vulnerable families. HSF3 will therefore has a positive impact on the Council's ability to meet the housing needs of residents.

7. Financial and Resource Implications

- 7.1 The grant allocation for HSF 3 is £92,729. As the report states, spending must take place before 31 March 2023 to meet grant conditions.
- 7.2 It is proposed to use part of the allocation to maintain the extended working hours of one part time member of the team for a fixed period. The estimated cost is £3,166. It is proposed that the remaining allocation will be split the allocation between the direct prevention of homelessness (£66,563 and provision of support to people with Council Tax and Housing Benefit arrears (£23,000) – See Appendix 1.
- 7.3 There is no revenue budget for this expenditure so it is necessary to seek approval for a supplementary revenue estimate of £92,729 in 2022/23. As the amount is fully funded by grant and spending must commence promptly (i.e. to avoid a potential delay in a referral to the next Council meeting in January 2023), the Director of Resources has authority to approve a supplementary revenue budget for 2022/23 under Financial Regulation 2.14.2.
- 7.4 Expenditure will be monitored by officers to ensure that it does not exceed the grant available. The financial risk is therefore assessed as low.

8. Legal Advice and Implications

- 8.1 This is a central government scheme which is now into its 3rd round. The legal risk connected to this report has been assessed as low.

9. Equalities Implications

- 9.1 Homelessness services provide support for all residents. Certain priority groups are given additional support and these often overlap with protected groups and vulnerable households. The equalities implications are therefore positive.

10. Climate Change Implications

- 10.1 There are limited climate change implications resulting from the HSF and so a CCIA has not been completed.

11. Risk Management

- 11.1 The main risk associated with HSF3 is the concerns the ability to spend the grant within the timeframe remaining. However the Housing Team has well developed systems in place to deliver the grant support to residents and so the risk of failing to spend is relatively low. Spend against the grant will be monitored by the Director of Housing.

Report Authorisation

Approvals obtained from:-

	Named Officer	Date
Chief Executive	Paul Wilson	29/11/2022

Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	28/11/2022
Monitoring Officer (or Legal Services Manager)	James McLaughlin	29/11/2022

Appendix 1

Proposal to Obtain Funding Allocation for Derbyshire Dales

Introduction

DDDC successfully delivered HSF1 and HSF2 spending the full allocation within the required timeframe. We have an existing 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. As with HSF1 and 2 we will expand this scheme and so 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 our unique Housing Support Service to target 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 (£92,729)

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

Our proposal at this stage is;

- £23,000 for the discretionary housing benefit payment fund to alleviate financial hardship
- Additional homeless prevention funds to assist those threatened with homelessness in social tenancies £66,563
- Admin costs £3166.

The Council have considered the use of these funds for administration. To ensure we deliver the proposals in a timely manner we have extended the contract of one part time member of staff in the Homelessness Team at an estimated cost of £3166.

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