

LONDON BOROUGH OF CROYDON

REPORT:	CABINET	
DATE OF DECISION	24 MAY 2023	
REPORT TITLE:	Household Support Fund April 2023	
CORPORATE DIRECTOR	SUSMITA SEN CORPORATE DIRECTOR OF HOUSING	
LEAD OFFICER:	BEATRICE CINGTHO-TAYLOR HEAD OF TEMPORARY ACCOMMODATION Beatrice.Cingtho-Taylor@croydon.gov.uk Ext: 26013	
LEAD MEMBER:	CLLR LYNNE HALE DEPUTY MAYOR AND CABINET MEMBER FOR HOMES	
KEY DECISION?	REF: 1023EM	REASON: Decision significantly impacts on communities living or working in an area comprising two or more Wards and meets the financial criteria for a key decision.
CONTAINS EXEMPT INFORMATION?	NO	Public
WARDS AFFECTED:	All	

1. SUMMARY OF REPORT

- 1.1** On 20 February 2023 the Secretary of State for Work and Pensions (“the Secretary of State”) allocated Croydon Council £6,027,379 Household Support Fund (HSF) Extension Grant for the period 1 April 2023 - 31 March 2024.
- 1.2** This report sets out the Council’s proposals to distribute the HSF. It also highlights the key changes in the Government guidance and Croydon’s allocation proposal compared to the previous HSF grant allocation.
- 1.3** The purpose of this HSF is to provide crisis support to vulnerable households most in need and help those who are struggling to afford energy and water bills, food, and other related essentials. The funding can also be used to support wider essentials including travel costs and housing costs in exceptional circumstances where existing housing support does not meet this need. Authorities are expected to prioritise support with energy costs, particularly for those who may not be eligible for other cost of living support but are nevertheless in need and require crisis support.
- 1.4** The Department for Work and Pensions (DWP) requires a delivery plan - signed off by Cllr Lynne Hale Deputy Mayor and Cabinet Member for Homes, and Jane West Corporate Director of Resources and S.151 Officer by 2 June 2023. The DWP

typically pays the fund in arrears unless the local authority can evidence this will create significant cash-flow problems.

2. RECOMMENDATIONS

For the reasons set out in the report and its appendices, the Executive Mayor in Cabinet is recommended:

- 2.1** To agree to accept the UK Government allocation of £6,027,379 Household Support Fund (HSF) extension for Croydon for the period 1 April 2023 – March 2024, and make the necessary budget provisions.
- 2.2** To consider and agree the proposed allocation and administration of the HSF as defined in the HSF Allocation Proposal (Appendix 1 to this report)
- 2.3** To note the requirement for and to delegate authority to Cllr Lynne Hale Deputy Mayor and Cabinet Member for Homes and Jane West Corporate Director of Resources to sign off the delivery plan for submission to the DWP by 2 June 2023, and for Jane West Corporate Director of Resources and S.151 Officer to sign off the periodic Management Information (MI) reports for DWP thereafter.
- 2.4** To delegate authority to allow for the flexibility of repurposing funds to Jane West Corporate Director of Resources and S.151 Officer in consultation with DWP.
- 2.5** To agree the proposal for officers to update the Executive Mayor and Cllr Lynne Hale Deputy Mayor and Cabinet Member for Homes on progress on the delivery of the fund in November 2023.

3. REASONS FOR RECOMMENDATIONS

- 3.1** To enable Croydon Council to support qualifying households in need and on low incomes with the rising cost of living by making budgetary adjustments in advance of receiving the £6,027,379 Government HSF for 2023-2024.
- 3.2** To ensure that the proposed allocation and distribution of funds is fair, transparent, and determined by evidence-based need within the Borough.
- 3.3** To ensure that the proposed allocation and distribution of funds meets the Councils democratic governance and scrutiny requirements and fulfils and the Government guidance and reporting obligations.

4. BACKGROUND AND DETAILS

- 4.1** In October 2021, the Secretary of State launched the HSF to support vulnerable residents across the country over the winter months.
- 4.2** The Government has continued to award HSF and issue updated guidance every six months for councils to provide assistance to residents on low incomes who are most in need due to the ongoing increases in the cost of living.
- 4.3** The previous awards have all been for £3,013,689.49. As of 1 March 2023, the most recent round of funding for the period 1 October 2022 – 31 March 2023 helped over 21,658 households in Croydon with food, fuel, one-off appliances, and occasionally wider essentials such as beds and housing costs. This brings the total number of grants awarded to 88,449¹ to residents in Croydon since the fund was originally introduced.
- 4.4** The Government announced that HSF would be extended for a further year as part of the Autumn Statement in November 2022, to take account of Global inflationary challenges and the continuing cost of living crisis. The DWP provided further details in a Launch Letter to all Councils on 20 February 2023.

¹This includes residents who have received more than one type of support since the fund started or repeated bi-annual support (such as food vouchers for qualifying school children). Due to evolving reporting requirements, it has not been possible to extrapolate a reliable figure for the number of unique households or individuals that have received support since October 2021.

4.5 Grant determination for 2023-2024

On 20 February 2023 the Secretary of State published the grant determination for the period 1 April 2023 – 31 March 2024 and the guidance for distributing the fund.

- 4.6** Croydon has been awarded £6,027,379. This award for 12 months is exactly double the amount received for 6-month periods in previous rounds.
- 4.7** The guidelines state that as this is a new grant the Council is unable to carry over any unspent funds. This has no impact on Croydon as the full allocation for the previous HSF was spent within the required timescale.

4.8 Grant allocation guidance for 2023-2024

The Council is required to determine individual eligibility and how assistance will be provided in accordance with the updated Government Guidance on Eligible Expenditure, the Delivery Plan Reporting Requirements and the Management Information (MI) returns.

- 4.9** There are a number of changes to the guidance for how the grant can be spent and the Government has highlighted the following key differences:

- Authorities must make sure that the mandatory element of application-based support delivered through the scheme is clearly advertised to residents and is

available throughout the majority of the fund period, either continuously or in regular intervals over the course of the scheme.

- Details of the scheme must also be publicised on a dedicated website page with specific requirements set out in the guidance.
- Funding for supplementary advice services, including debt and benefit advice, is now considered eligible spend within the HSF scheme. As the primary focus of this grant is on practical support, expenditure on such services is expected to be limited and linked to the provision of practical support.
- It is mandatory that in any publicity material for the scheme, including via online channels and media releases, Authorities make clear that this funding is being provided by the Department for Work and Pensions or the UK Government.
- Delivery plans must be signed off by both the 151 Officer and the responsible Cabinet Member.

4.10 DWP originally asked for authorities to outline their spending plans (Delivery Plans) by 17 May 2023. To allow for the lead in period for May Cabinet and subsequent call-in period DWP has agreed to Croydon's request to submit our plans by 2 June 2023. This will enable our detailed proposals to go through the full democratic process for scrutiny and approval.

4.11 CROYDON'S PROPOSALS FOR 2023-2024

Croydon's proposed allocation of HSF 2023-2024 is based on the HSF Guidance 2023-24, a review of the previous funding allocation, an assessment of need, consultation with statutory services and consideration of the mechanisms in place and or required to deliver the support.

4.12 We are intending to distribute the HSF via a combination of direct payments, application-based crisis awards and discretionary emergency awards to prevent escalation.

4.13 We propose to stagger the release the application-based proportion of the HSF to ensure that sufficient funds are reserved for the duration of the scheme, particularly during the colder months of the year. Other support services with allocated HSF budgets will be expected to do likewise.

Allocation	Purpose / client group	Amount
Education	School age children experiencing energy/food poverty, or at risk of food poverty during school holidays	£3,080,040
Discretionary Support Team	Direct applicants help with energy /water/food/essentials/ emergency/ housing costs in exceptional circumstances	£900,000
Social Housing	Social tenants with higher energy needs/ energy paid via service charges/ not eligible for other funds	£700,000
Revenues and Benefits	To distribute to qualifying residents in accordance with the HSF criteria identified through the Council Tax service.	£600,000
Housing Need	Households at risk of homelessness/in temporary accommodation not covered by other support	£245,000
VCF ³ distribution	A proportion of the fund will be allocated to a named voluntary sector organisation to award to qualifying residents in crisis	£80,000
CEYP ²	Care experienced young people in temporary accommodation	£80,000
Carers	Unpaid carers including those not known to other services	£80,000
Children Service	Vulnerable families with children known to social services	£67,000
Adult Services	Vulnerable adults known to social services	£ 60,000
Administration	Two admin officers to process applications /funds	£ 80,000
Publicity	Publicity to provide rolling promotion of funds through the year	£35,000
Healthy homes	Practical support for residents in 'no heat' situations	£20,000
Contingency ⁴		£339
Total		£6,027,379

² Care Experienced Young People

³ Voluntary Community and Faith Sector

⁴ Any remaining contingency not required for publicity will be appropriately allocated in phase three/four.

- 4.14** We are proposing to allocate just over 50% of HSF to the Education Service to issue discretionary clothing vouchers for school children in urgent need of warm protective items of clothing or footwear, and food vouchers for children who would ordinarily be eligible for free school meals (to cover 8 of the 16-week school holiday period) or are otherwise experiencing food poverty. The average crisis clothing voucher will be for £50, and the average total value of the food vouchers will be £150.
- 4.15** We intend to focus on more crises support with essential energy related costs and critical travel costs and promote the take-up of application-based assistance to a wider reach of residents in most need. We will target wards with the highest fuel poverty, vulnerable adults and families with disabilities or health and wellbeing needs and stock in most need of energy related improvement.
- 4.16** We will continue to ringfence 10% of HSF to Revenues and Benefits service to distribute to qualifying residents in accordance with the HSF criteria identified through the Council Tax service.

- 4.17** We are keen to help those residents who may not be eligible for other support. This includes ringfencing £80,000 specifically to support care experienced young people (CEYP) living in temporary accommodation, £80,000 for unpaid carers (particularly those not previously known to other services) who may be in crisis, and one-off housing costs for households at risk of homelessness not covered by other support.
- 4.18** We propose to improve the application-based emergency help offered to household with pre-paid energy meters from one £50 top-up to three £50 top-ups (as these are on the highest tariffs and are at the greatest risk of having no supply).
- 4.19** We propose to award £80,000 to an established third-party organisation (TPO) within the voluntary and faith sector (VCF) to distribute to residents in accordance with the published criteria, particularly residents who may not apply directly to the Council. This will be linked to a contract with Citizens Advice and co-designed with key third sector organisations) on the condition that the full £80,000 is distributed to residents by 31 March 2024.
- 4.20** This proposal fulfils the Government expectation that TPOs are identified objectively, fairly, transparently and on a non-discriminatory basis whilst having regard to the time available to deliver the HSF.
- 4.21** This year we propose to allocate emergency budgets to enable Adult Social Care and Children's Social Care front door (who may be the first point of contact with people facing crisis) to issue small one-off emergency support awards to provide immediate help in exceptional circumstances. This approach already works well in schools, and we would like to trial the same approach for a wider range of vulnerable people in crisis.
- 4.22** We propose to issue guidelines and caps for all emergency discretionary and application-based awards. We have reviewed the caps for household essentials and support with utility bill debts to achieve greater equity and value for money.
- 4.23** Healthy Homes have asked for a small budget to supply oil filled radiators (which are safer and more efficient than other plug-in heaters) to homes that are known to be without heat, typically homeowners on very low incomes, and tenants within the private rented sector.
- 4.24** We are also proposing to consider more sustainable carbon neutral solutions such providing a limited number of bicycles and helmets for essential travel and issuing slow cookers and energy efficient electric cookers (rather than gas cookers wherever possible), to reduce fuel consumption.
- 4.25** The proposal is to replicate the administration arrangements by extending the contracts of the two established business support agency staff.
- 4.26** The detailed apportionment of funds and eligibility criteria are set out in pages 6-7 of the Allocations Proposal Appendix 1.
- 4.27** In accordance with the Scheme of Financial Delegation, the Corporate Director of Housing has made £200,000 immediately available to the Discretionary Support Team so

that they can start taking direct applications from May 2023 pending Cabinet consideration and approval of the full proposals.

4.28 DWP Funding arrangements

The HSF is ring-fenced. Payment is typically made in arrears upon DWP being with the Management Information (MI) returns. This enables DWP to adjust the amount of payment based on the MI returns and reduce administrative costs including the need to recover any underspend.

4.29 Payment will ordinarily be made in arrears after the interim MI returns in July and October 2023 and January 2024 and the final MI return at the end of the fund period in April 2024 and DWP has verified the MI.

4.30 The Guidance offers the caveat that 'If an Authority feels that the payments arrangement will create significant cash flow problems please notify DWP as soon as possible with supporting arrangements.

4.31 COMMUNICATION AND PUBLICITY

The critical success factor to ensuring the HSF reaches those most in need efficiently and at the right time is a co-ordinated simple cascading communications strategy, which is delivered across the Council and via our partners, is easy to understand and repeated in the Autumn and Winter when the effects of energy poverty are the greatest.

4.32 This will include three targeted accessible multi-media campaigns including Facebook Twitter, local radio and Croydon Open House newsletter for tenants and leaseholders, to raise awareness improve accessibility and support take-up from residents (and service providers/community groups who may be in contact with them).

4.33 Specific consideration will be given to meeting the varied written, audio, visual, cognitive and language communication requirements of our residents in need and reaching all residents with protected characteristics.

4.34 Proposals for the targeted publicity include adverts on busses in the most deprived areas, and targeted marketing to the most vulnerable residents such as those with disabilities where take up of previous grants has been lower than anticipated.

4.35 All publicity will make it clear that UK Government is providing this funding.

4.36 We propose to allocate 0.6% of the £6m HSF to publicity. This will assist corporate communications and ensure resources are pre-allocated and available at the right time to update the website and communicate information across the borough. This will include e-communication and other accessible formats including printing and design costs and attendance at forums etc. for the three planned campaigns in early Summer, Autumn, and Winter 2023.

4.37 ADMINISTERING THE FUND

4.38 Establishing eligibility

If the Allocation Proposal at Appendix 1 is approved, it will be translated into a published framework confirming our approach and eligibility criteria and how to access the HSF 2023-24.

4.39 We will particularly consider how we can support those vulnerable households who are ineligible for other government support with the cost-of-living. Receipt of other help will not exclude a resident from receiving support through HSF in principle as they may still be in need.

4.40 Examples of the households whose circumstances the Council proposes to prioritise are included in the Allocation Proposal at Appendix 1. It is not an exhaustive list and discretion will be applied on a case-by-case basis. The same criteria will apply to HSF distributed by the VCF sector.

4.41 The application-based service will include an eligibility check to identify the applicant's current economic, social and tenure status, the reason for the application, what support they are seeking, the monetary value of the amount they are seeking evidence of why this is needed, whether they have previously received HSF or are eligible for and/or in receipt of support from other schemes, the potential risk or impact of not receiving the support and the extent to which providing the support will or is likely to prevent escalation of problems.

4.42 As there is a finite amount of HSF available the monetary value and type of support offered will be based on the locally set guidelines detailed in the Allocation Proposal at Appendix 1.

4.43 The Council will always establish whether other forms of support are available for housing related costs such as Discretionary Housing Payments (DHP) before considering awarding HSF for housing costs.

4.44 Managing tracking and reporting on spend

A single point of contact (SPOC) will co-ordinate the administration, tracking and monthly reporting of the fund including demand and potential overspend or underspend across all services and TPOs.

4.45 A named officer from each service or TPO will be responsible for checking eligibility and recording, tracking, and reporting on the day to day spend for their allocated budget, and supplying monthly spend reports on agreed pro-forma.

4.46 The SPOC will review the monthly returns to help identify and mitigate risks and issues in individual services or across reporting periods to ensure consideration can be given to any intervention where it is considered necessary or prudent to do so.

4.47 GOVERNANCE

The Head of Temporary Accommodation will be the Senior Responsible Officer accountable for ensuring a strong delivery plan is developed and agreed through the

required mechanisms; ensuring compliance with and progress against our commitments in the delivery plan; and proposing any repurposing of funds to Departmental Management Team (DMT).

- 4.48** DMT will monitor performance on a quarterly basis including demand and outcomes, any under spend or overspend, risks and issues and recommended repurposing of funds for agreement by the s.151 Officer and the Corporate Director of Housing in consultation with DWP. This will ensure HSF continues to achieve maximum effect.

4.49 Managing the risk of fraud and financial irregularity

As with any welfare payment to vulnerable recipients there is a risk of fraud. To help mitigate this risk the Council will ensure checks are in place to verify the identity of those eligible and suitable due diligence checks to ensure any TPO is viable and able to deliver support.

- 4.50** The Council will ask neighbouring authorities to work together to help prevent double provision and/or no provision (for example when allocation of provision is by a school in one area and a residential address in another).
- 4.51** Wherever possible vouchers will be used instead of cash and the vouchers will have restricted usage to mitigate the risk of being spent outside of the intended scope.
- 4.52** If the Council has any grounds for suspecting financial irregularity including fraud or other impropriety, mismanagement, or use of grant for purpose other than those for which it was provided then the Senior Responsible Officer or the SPOC shall notify DWP immediately, explain what steps are being taken to investigate the suspicion and keep DWP informed of the progress of the investigation.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1** The Council could outsource the administration of the entire fund to a third-party organisation such as a registered charity or voluntary organisation. However, the Council already has the mechanisms in place to administer the HSF and having paid due regard to the time available to deliver the fund and the process required to appoint a TPO this option is not recommended.
- 5.2** The Council could make the entire HSF application based. This is likely to create unnecessary administrative work and reduce equitable access for identified residents with a specific and defined need. This option does not provide value for money and is not recommended.
- 5.3** The Council could invite interested TPOs to bid for the opportunity to distribute the £80,000 ringfenced for VCF distribution. This process will create unnecessary and unwarranted delay and is therefore not recommended.

- 5.4 The Council could choose not to spend the HSF however this would not be in the interests of the Council or our residents in need of support with the cost-of-living crisis and is therefore not recommended.

6 CONSULTATION

- 6.1 The Allocation Proposals at Appendix 1 have been drawn up in consultation with relevant services and has been discussed with the Deputy Mayor & Cabinet Member for Homes.

7 CONTRIBUTION TO COUNCIL PRIORITIES

- 7.1 The proposals contained within this report contribute to the following outcomes in the Mayors Business Plan for 2022- 2026.
- Children and young people in Croydon have the chance to thrive, learn and fulfil their potential.
 - People can lead healthier and independent lives for longer.

8 IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

- 8.1.1 The Household Support Fund (HSF) spend and income of £6,027,379 will be managed and monitored within the Housing directorate. The spend and income are additional to the business as usual (BAU) activities of LBC meaning there is no net financial impact to any directorate finances.
- 8.1.2 Reimbursement will be quarterly in arrears based on certified spend totals. The associated interest costs will be around £25,000 across 2023-24 based on an even spend profile There are no issues foreseen in managing cashflow in respect of this funding.
- 8.1.3 If new posts are created related to this funding, they must be fixed term and tied to the period of confirmed funding as there is no indication of longer-term commitment to this funding stream by DWP.
- 8.1.4 Updated finance comments requested following CMT
- 8.1.5 Approved by Orlagh Guarnori, Finance Manager on 16 May 2023 following MAB 2.

8.2 LEGAL IMPLICATIONS

- 8.2.1 Grant funding for the Household Support Fund will be paid to the Council by the Minister under Section 31 of the Local Government Act 2003. The grant may be paid

on such conditions as the Minister may determine and may include provision as to the use of the grant, and the circumstances in which the whole or part of the grant must be repaid.

- 8.2.2 The Minister has issued Guidance entitled “1 April 2023 to 31 March 2024: Household Support Fund guidance for county councils and unitary authorities in England”, updated 21 February 2023. It is assumed that it will be a condition of the grant under Section 31 that authorities should have regard to the Guidance, but in any event it is reasonable to assume an implied, if not specific duty on the Council to have regard to the Guidance. This means the Guidance must be singled out for special mention and is a mandatorily relevant factor to which due and specific consideration must be given, to which some weight must be attached, and which must not be marginalised. This duty does not however go so far as to make the Guidance an exclusive consideration, and there is liberty to deviate from the Guidance on admissible grounds and for good, sufficient and articulated reasons.
- 8.2.3 The Council’s general power of competence, “to do anything that individuals generally may do”, in Section 1 of the Localism Act 2011 is sufficient to cover the arrangements for receiving and making payments of the grant as set out in this report.
- 8.2.4 In accordance with its general duties to act reasonably and proportionately, the Council must have a clear policy or framework outlining its general approach, including in relation to how eligibility will be defined, and how households will access the Fund, and this is set out in the Allocation Proposal in Appendix 1.
- 8.2.5 Approved by Sandra Herbert, Head of Litigation & Corporate Law, on behalf of the Director of Legal Services and Monitoring Officer 16 May 2023.

8.3 EQUALITIES IMPLICATIONS

- 8.3.1 The Council has a statutory duty, when exercising its functions, to comply with the provisions set out in the Sec 149 Equality Act 2010. The Council must, in the performance of its functions, therefore, have due regard to:
1. eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
 2. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 3. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.3.2 An EQIA was carried out to ascertain the impact of the grant on protected characteristics. It identified both positive and negative equality implications in respect of: age, disability, race and religion and belief. Mitigation has been identified to address potential negative impact; this includes:

- A discretionary emergency payment available for essential travel for people with disability affected by the cost-of-living crisis who do not get alternative support.
- Publicity material and applications offered in community languages.
- The engagement of the voluntary, community and faith sector to distribute payments to eligible residents. This enables some equality characteristics such as age, race, religion or gender reassignment who may not wish to contact the council directly to access payments through the sector.

8.3.3 The department should support the community and voluntary and faith sectors in collecting data with regard to the protected characteristics of recipients. Following this, the EQIA should be updated.

8.3.4 Approved by: Denise McCausland – Equality Programme Manager 16 May 2023.

8.4 HUMAN RESOURCES IMPLICATIONS

8.4.1 There is no immediate HR impact in regard to this report. I understand that two agency staff are already engaged to assist with the extra work

8.4.2 If any other issues arise these will be managed under the Council's Policies and Procedures.

8.4.3 Approved by Jennifer Sankar, Head of HR for Housing and SCRER for and on behalf of Dean Shoosmith, Chief People Officer dated 21 April 2023.

8.5 DATA PROTECTION IMPLICATIONS

8.5.1 Information Management recommend that a DPIA is in place (if not already completed) for the HS fund by 2nd June 2023 as there is there will be processing of personal/sensitive data.

8.5.2 A specific HSF privacy notice will also be beneficial to the project.

8.5.3 Approved by Louise Edwards, Acting Information Manager 2 May 2023.

8.6 COMMUNITY AND SAFETY IMPLICATIONS

8.6.1 We know that vulnerable residents are some of those most often targeted for criminal behaviour and over-represented as victims of crime. This funding will help support those families and residents and will reduce the likelihood of them being victims of crime.

8.6.2 Approved by Kristian Aspinall Director of Culture and Community Safety 16 May 2023.

9 APPENDICES

Appendix 1 - Household Support Fund Allocation Proposal April 2023 - March 2024

Appendix 2 - Equality Impact Assessment: Household Support Fund April 2023 - 2024

10 BACKGROUND DOCUMENTS

Document 1 - Household Support Fund Launch Letter 20 February 2023

Document 2 - Household Support Fund Determination 2023

Document 3 - Household Support Fund Guidance 2023

Document 4 - Delivery Plan Reporting Requirements

Document 5 - Management Information Returns

11 URGENCY

N/A