

Meeting:	Decision Session - Executive Member for Finance, Performance, Major Projects, and Equalities
Meeting date:	25/04/2024
Report of:	Pauline Stuchfield Director of Customer & Communities
Portfolio of:	Councillor Katie Lomas Executive Member for Finance, Performance, Major Projects and Equalities

Decision Report: Household Support Fund 5

Subject of Report

1. The Government has made £421m available to County Councils and Unitary Authorities in England to support those most in need with the cost of essentials via Household Support Fund 5 (HSF5). This funding covers the period 1 April 2024 to 30 September 2024 inclusive. The objective of the fund is to provide crisis support to vulnerable households in most need.
2. City of York Council has received £1.037m of the £421m fund to support its qualifying residents with meeting immediate needs and help for those who are struggling to afford household essentials including energy and water bills, food, and wider essentials. The funding must be spent by 30th September 2024.

Benefits and Challenges

3. The level of funding provided is the same as the 2023/24 HSF4 funding pro rata for 6 months. The council have discretion on exactly how this funding is used within the scope of the government guidance set out at Annex A.
4. The money should be used to support qualifying residents with Energy & Water bills, Food, and where appropriate wider essentials. The council must establish a discretionary application scheme (*“As part of their offer, every Authority must operate at*

least part of their scheme on an application basis – in other words, people should have the opportunity to come forward to ask for support”) and we have done with every HSF scheme to date.

5. The discretion within the scheme is a real benefit for the council. However, despite this the funding level is not high compared to the ongoing cost of living crises facing residents and this can be seen in more detail in the table at paragraph 12.

Policy Basis for Decision

6. The new Council Plan, which was adopted in September 2023, contains four core commitments to enable it to deliver the vision for the next four years. This includes ‘affordability’.
7. The commitment states - ‘We will find new ways so everyone who lives here benefits from the success of the city, targeting our support at those who need it most, supporting communities to build on their own strengths and those of the people around them.’
8. The approval of this scheme will contribute to supporting the commitment to affordability by helping residents with their ongoing cost of living financial pressures helping them to live better lives, participate in the success of the city and improving their wellbeing.

Financial Strategy Implications

9. This is a government funded scheme and does not affect the council’s revenue budget or financial strategy. Effective use of this money will help support residents’ financial resilience and potentially alleviate cost on the council’s stretched welfare support services.

Recommendation and Reasons

10. The Executive Member for Finance, Performance, Major Projects, and Equalities is asked to approve the HSF5 scheme as set out at paragraph 12 – 17 and in detail at Annex B. The reason for this is to help alleviate the ongoing cost of living pressures being experienced by financially vulnerable residents.

Background

11. This is the 5th HSF scheme following on from the local covid support schemes aimed at assisting residents with cost-of-living pressures. The scheme is funded through Government grant and has no revenue costs to the council. The scheme requires council approval, and the details of the scheme are set out in the paragraphs below and in details at Annex B of this report.

HSF5 Scheme

12. The intention of the scheme is to make the best use of the funds available to help assist qualifying residents. As set out in the government guidance we must provide a discretionary element, and this is something that has been provided in all City of York council schemes to date. The key support provided through the scheme includes:
 - a) £200k – Food & Fuel Vouchers
 - b) £200k – Discretionary application scheme
 - c) £40k – Community Food support
 - d) £50k – Administration including support for two Talk Money campaigns.
 - e) £10k – York Energy Advice
 - f) £500k – Support with Council Tax for working age CTS customers. (£110 per qualifying resident)
 - g) £37K - Contingency
13. In terms of supporting pensioners, priority will be given to pensioners applying to the discretionary scheme. Pensioners still receive up to 100% council tax support (CTS).
14. Council Tax Support (CTS) customers over the last two years have benefited from Government grant to cushion the impact of the annual increase in council tax. There is no Government grant this year meaning that low-income residents face an increase of nearly 15% in real terms in their council tax bill. Providing this support will help CTS customers in paying utility and other bills by minimising the level of their council tax bills.

15. The HSF4 scheme helped to provide support to Care Leavers and Foster Parents. Funding of £15k and £30k respectively remains within the Charis food voucher support scheme for these residents.
16. The HSF5 discretionary scheme will also provide access to residents with no recourse to public funds in line with the Government guidance.
17. Any wider essentials set out in the guidance will be considered through the council's discretionary scheme.

Consultation Analysis

18. The development and guidance in relation to the scheme has been undertaken by central government. In terms of the local scheme internal consultation has been undertaken with Communities, Revenues, and the Welfare Benefits Manager.
19. Externally consultation has been undertaken with the council's Advice York community partners. The Equality Impact Assessment (EIA) for the scheme is attached at Annex C.

Options Analysis and Evidential Basis

20. The development of HSF schemes to provide effective financial support to low-income residents has been matured over nearly four years. Across this time the council has worked and continues to work in partnership with local advice agencies in developing and delivering its HSF schemes.
21. The scheme (Annex B) reflects the learned experience from prior schemes. The Government grant is not sufficient to meet and resolve all the poverty issues in the city and HSF5 focuses on trying to help those residents most in need with their bills, heating, and food. There are no options to deliver anything outside of the Government guidance.

Organisational Impact and Implications

22. The implications of the scheme have been considered during consultation along with demand on resource and longevity of support.

23. As with all HSF schemes the guidance was provided just days before the scheme was due to go live. The comments from implication officers are set out below.

- **Financial**, the funding for HSF5 is direct Government grant there are no council revenue budget costs associated with delivering the scheme.
 - **Human Resources (HR)**, There are no HR issues with regard to establishing and delivering the scheme.
 - **Legal** *The decisions in this report do not carry legal implications for the council, as the Council is effectively 'passporting' the funds from central government to affected individuals. As such, providing the approved scheme is implemented in accordance with Annex A, the Authority is acting within its discretion.*
 - **Procurement**, there are no procurement activities involved with delivering the HSF5 scheme.
 - **Health and Wellbeing**, the scheme is there to provide support with food and utility bills which will directly contribute to better health & Wellbeing.
Poverty and financial insecurity has a direct and/or indirect impact on both physical and mental wellbeing and a negative impact on health inequalities. Supporting those residents at greatest risk through the HSF5 scheme contributes to closing the health inequality gap across the city.
 - **Environment and Climate action**, This report relates to the delivery of welfare support and will have no impact on the environment or climate.
 - **Affordability**, As set out at paragraph 6 – 8 this report decision directly supports the 'affordability' priority.
 - **Equalities and Human Rights**, the paper has an EIA attached setting out any impacts on Equalities and any consultation that has been undertaken in designing the scheme. The guidance for what the money can be spent on is set by Central Government and the scheme operates within this guidance.
- Data Protection and Privacy**, Data protection impact assessments (DPIAs) are an essential part of our accountability obligations and is a legal requirement for any type of processing under UK data protection and privacy legislation. Failure to carry out a DPIA when required may leave the council open to enforcement action, including

monetary penalties or fines. DPIAs helps us to assess and demonstrate how we comply with all our data protection obligations. It does not have to eradicate all risks but should help to minimise and determine whether the level of risk is acceptable in the circumstances, considering the benefits of what the council wants to achieve.

The DPIA screening questions were completed for this report and as there is no personal, special categories or criminal offence data being processed for the options set out in this report, there is no requirement to complete a DPIA at this time. However, this will be reviewed where required, on the approved options from this report.

- ***Communications***, there is likely to be a requirement on the Communications Service to deal with media enquiries both proactively and reactively in relation to this report.
- ***Economy***, there are no direct economy implications associated with the recommendations in this paper.

Risks and Mitigations

24. There are no specific risks related to the HSF5 scheme other than the demand for support (as with previous schemes) may be higher than the funding provided. To mitigate this risk the direct support for working age CTS customers has been calculated based upon the claimant base and the food and fuel voucher scheme amended to manage supply and demand.

Wards Impacted

25. All Wards are affected by this decision but in a positive way through providing cost of living support.

Contact details

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Background papers

Household Support Fund 4:

[Agenda for Decision Session - Executive Member for Finance and Major Projects on Friday, 24 March 2023, 10.00 am \(york.gov.uk\)](#)

Annexes

Annex A – Government Guidance Document

Annex B – HSF5 Scheme

Annex C – EIA

Abbreviations

HSF5 – Household Support Fund 5

HSF4 – Household Support Fund 4
CTS – Council Tax Support
EIA – Equalities Impact Assessment
DWP – Department for Work and Pensions
UC – Universal Credit
HPG – Homelessness Prevention Grant
HB – Housing Benefit
DHP – Discretionary Housing Payment
IT – Information and Technology
MI – Management Information
TPO – Third Party Organisation
IR – Income Related
ESA – Employment Support Allowance
MoU- Memorandum of Understanding
LWP – Local Welfare Provision
HPG – Homelessness Prevention Grant
PRMS – Performance Relationship Managers
LA-PED – Local Authority Partnership Engagement and Delivery
PDF – Portable Document Format
CFO – Chief Financial Officer
NINO – National Insurance Number
AP – Assessment Period
CC – County Council
CC – City Council