

Meeting:	Combined Executive Member Decision Session
Meeting date:	03/06/25
Report of:	Debbie Mitchell – Director of Finance
Portfolio of:	Councillor Katie Lomas Executive Member for Finance, Performance, Major Projects, Human Rights, Equality and Inclusion

Decision Report: Household Support Fund 7

Subject of Report

1. The Government has made £742 million available to County Councils and Unitary Authorities in England to support vulnerable households with the cost of essentials through the Household Support Fund 7. This funding covers the full financial year 2025/26 (The Fund Period).
2. City of York Council has received £1,829,279.34 of the £742m 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 31st March 2026.

Benefits and Challenges

3. The level of funding provided is approximately 10% less than that provided in the 2024/25 financial year (£2,075,812). 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 primary objective of the Household Support Fund 7 (HSF7) is to provide crisis support to vulnerable households in the most need with the cost of essentials. The secondary objective is to provide preventative support to prevent vulnerable households from falling into – or falling further into – crisis.
5. 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”*) as part of our overall scheme as we have done with every HSF scheme to date.

6. The funding allocated falls within the definition of public funds, and those with No Recourse to Public Funds (NRPF) are not eligible to receive support.

Policy Basis for Decision

7. 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’.
8. 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.’
9. 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

10. 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

11. The Executive Member for Finance, Performance, Major Projects, and Equalities is asked to ratify the HSF7 scheme that was approved by officer decision on 25th March 2025 and 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 for financially vulnerable residents.

Background

12. 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.

HSF7 Scheme

13. This is the 7th HSF scheme 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.
14. The intention of the scheme is to make the best use of the funds available to help assist qualifying residents; Meet the two objectives of the HSF7, to provide crisis support to vulnerable households in the most need with the cost of essentials and to provide preventative support to prevent vulnerable households from falling into – or falling further into – crisis.
15. As set out in the government guidance we must provide a discretionary element, and this is something that has been provided in all council schemes to date.
16. The key support provided through the scheme includes:
 - a) Direct Payments (£1,407,500):
 - I. Residents of working age who are receiving Council Tax Support and those receiving SMI disregard, Carers Council Tax discount and Disability-related Banding Reduction will receive support via two payments. These payments are intended to help families with household bills.
 - II. The first payment is based on those qualifying households on the 1st April 2025 and will be one £150 credit to their Council Tax account providing they meet one or more of the qualifying criteria.

- III. Eligible households will be identified by City of York Councils Revenues & Benefits Team and based on the residents Council Tax Support or discount claim. Eligible credits will be applied direct to the customers Council Tax account. Customers will not need to apply for the credit.
 - IV. The second payment will be a single cash payment of £100 to qualifying residents meeting one or more of the same criteria (Para III) on 1st September 2025 plus those households with a full SMI discount.
 - V. Qualifying residents will be invited to apply and will need to provide up to date bank details in order to receive their payment. The account details are required for both the payment and the security checking process. The award will be paid directly into the resident's bank account.
 - VI. Recipients will receive one payment per household in to help with living costs.
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- b) £100k – Discretionary application scheme, including pensioners.
 - c) £63k – Food & Fuel Vouchers, including people affected by domestic abuse and care leavers.
 - d) £60k – Community food support and provision of warm places.
 - e) £40K – Additional capacity in revenues and benefits to support Low Income Family Tracker (LIFT) work and pilot work on Council Tax debt and the take up of HSF support
 - f) £45K – Additional community benefits adviser capacity, Talk Money campaign, leaflets, letters to target support from LIFT data, providing a community data led approach to support benefit take up.
 - g) £50k – Data led direct support grants for people in CT arrears & getting HSF7 advice and grants for people; for example where Discretionary Housing Payments or Council Tax Support are not available.
 - h) £54k - Provide extra specialist debt support at Citizens Advice York, particularly to assist people in fuel, water and CT debt.

- i) £20k – York Energy Advice for energy measures support to residents.
- 17. 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). We will use data and additional benefits advice capacity to identify and invite residents to take-up Pension Credit and HSF and provide support to claim via additional community capacity to provide benefits advice.
- 18. Providing direct support to Council Tax accounts will mitigate the 5% rise in Council Tax and avoid liability court for those on low income. This support will help CTS customers in paying utility and other bills by minimising their council tax bills.
- 19. Previous HSF schemes helped to provide support to Care Leavers and people affected by domestic abuse. Funding of £8k and £5k respectively remains through the Charis food voucher support scheme for these residents.
- 20. Any wider essentials set out in the guidance will be considered through the council's discretionary scheme.

Consultation Analysis

- 21. 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.
- 22. 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

- 23. The development of HSF schemes to provide effective financial support to low-income residents has been matured over nearly five years. Across this time the council has worked and continues to work in partnership with local community advice agencies in developing and delivering its HSF schemes.

24. 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 HSF7 focuses on trying to help those residents most in need.

Organisational Impact and Implications

25. The implications of the scheme have been considered during consultation along with demand on resource and longevity of support.
26. As with all HSF schemes the guidance was provided just weeks before the scheme was due to go live. The comments from implication officers are set out below.
- **Financial**, the funding for HSF7 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 HSF7 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 HSF7 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**, 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

27. There are no specific risks related to the HSF7 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

28. 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

Officer Decision HSF 7

[Decision - To approve the Household Support Fund Scheme 7 \(HSF7\)](#)

Annexes

Annex A – Government Guidance Document

Annex B – HSF7 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
LIFT – Local Income Family Tracker