

# HOUSEHOLD SUPPORT FUND PROPOSAL

## REPORT TO EXECUTIVE



DATE	1 <sup>st</sup> December 2021
PORTFOLIO	Finance/Health and Wellbeing
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### PURPOSE

1. To propose a scheme for the household support fund.

### RECOMMENDATION

2. That the priority for Burnley Council's allocation of Household Support funding is the reduction of fuel poverty in low-income households with school age children.
3. That the Head of Policy and Engagement is given delegated authority to finalise a delivery plan for the scheme agreed by the Executive, in consultation with the Head of Finance and Property and the Executive Member for Community and Environmental Services.

### REASONS FOR RECOMMENDATION

4. The proposed scheme is targeted towards a clearly defined need and is manageable given the size of the allocation and the time available to deliver it.

### SUMMARY OF KEY POINTS

5. **Fund amount and overview of the scheme**
  - The county council has been granted £9.7million to be used by March 2022 to support vulnerable households. The county council is set to provide food vouchers during the school holidays at an anticipated cost of £1.77 million. £3 million is being allocated by the county council to district councils. Each district's proportion was calculated using the DWP's formula based on deprivation levels and population.
  - The funding covers the period 6 October 2021 to 31 March 2022 inclusive. Burnley Council's allocation is £300,000, which we are expected to receive by mid-November.
  - The Government's guidance states that, in addition to covering food costs, the fund can be used to help with energy and water bills. It can also be used to support households with wider essential costs.

- At least 50% of the funding must be allocated to vulnerable households with children.
- In exceptional cases of genuine emergency, it can also be used to support housing costs – this is strictly defined and does not include mortgage support.
- Delivery can be through a variety of routes including direct payments into personal bank accounts, providing vouchers to households, making direct provision of food, or issuing grants to third parties.
- The Government is asking councils to identify and provide support to a broad cross section of vulnerable households.
- In delivering proposals the council has a responsibility to take account of and manage the risk of fraud.
- The council can claim reasonable administration costs.
- Government has set strict reporting arrangements that need to be complied with.

## **6. Action on fuel poverty**

- It is recommended that the council's scheme prioritises alleviation of fuel poverty this winter for the following reasons:
  - The county council will be using a share of the funding to provide food vouchers to children eligible for free school meals during school holidays, and existing covid budgets will be used by Burnley council to ensure that the food bank is well stocked up to the end of March 2022.
  - Existing budgets in the county council (the crisis support scheme) and Burnley Council's own Acorn fund, are available for household essentials such as beds and white goods. It is therefore proposed that these items do not form part of the main, open scheme. Instead, £10,000 from the allocation will be put aside for clients referred into the private sector housing and homelessness teams.
  - The latest data shows that 16.4% of the borough's households are fuel poor, compared to a Lancashire average of 13.7%.
  - UK energy prices have been predicted to rise by 30% in 2022.
  - By helping to reduce household fuel costs, recipients of the fund may choose to redirect this saving into other household needs.

## **7. The scheme**

- There are 4,500 children in Burnley eligible for free school meals, so around 3,000 households.
- These households will apply online for support. However, the scheme will ensure that support is available to assist the digitally excluded to apply.
- Subject to confirmation of the number of eligible, it is proposed that these households will be offered £85. This will be paid directly into the household's energy account, or in the form of fuel vouchers where the household has a pre-paid meter.
- Though the scheme prioritises families, this is nevertheless a broad cross section of the local population. Older, vulnerable, residents can access the Government's warm home discount, winter fuel payment and cold weather payment, and £10,000 will be put aside for any household or individual with an emergency need. This part of the scheme will be managed by the council's housing team.

<b>FINANCIAL IMPLICATIONS AND BUDGET PROVISION</b>
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8. There are no new budget implications arising from this report.

<b>POLICY IMPLICATIONS</b>
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- 9. The Council will need to ensure fair access to the fund. Policy and Engagement will work with the CVS and other VCFS networks to get the word out.
- 10. Demand is expected to be high. Communications will be developed to manage applicants' expectation on decision timescales.

<b>DETAILS OF CONSULTATION</b>
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11. Scrutiny Committee

<b>BACKGROUND PAPERS</b>
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- 12. <https://council.lancashire.gov.uk/ielssueDetails.aspx?IId=106069&PlanId=0&Opt=3#AI85280>

<b>FURTHER INFORMATION</b> <b>PLEASE CONTACT</b>	<b>Rob Dobson</b>
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