

**HOUSEHOLD SUPPORT FUND PROPOSAL****REPORT TO EXECUTIVE**

<b>DATE</b>	<b>12 April 2023</b>
<b>PORTFOLIO</b>	<b>Finance/Health and Wellbeing</b>
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**PURPOSE**

1. To seek approval to deliver a fourth Household Support Fund scheme (HSF4).

**RECOMMENDATION**

2. That the priority for Burnley Council's HSF4 scheme is supporting low income households of working age.
3. That the Head of Policy and Engagement is given delegated authority to finalise a delivery plan for the scheme, in consultation with the Head of Finance and Property and the Executive Member for Finance and Performance.

**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****Fund amount and overview of the scheme**

5. Though subject to formal agreement at the time of writing, the council has been told by the county council that it should expect to receive in the region of £950,000 for HSF4 from a total allocation to the county council of £19.3million. Like the previous HSF schemes, the county council is expected to use half the total allocation to provide food vouchers during the school holidays to households eligible for free school meals. The remainder is being administered by district councils.
6. The funding must be committed by the end of March 2024.
7. The Government's guidance sets out the expectation that the fund should be used to support households in the most need. The council can issue payments directly to

residents. It can also fund registered charities to provide support, such as food banks. The Government is also allowing the fund to be spent on advice services.

8. The council can claim reasonable administration costs.

### **Review of past schemes**

9. Burnley Council has administered £1.6m of support since the fund started in late 2021. Direct payments in the form of vouchers have been targeted at:

- low-income households with a children
- low-income pensioners
- residents that have a disability band reduction or severe mental impairment or carers discount on their council tax
- those in receipt of housing benefit only. Individuals in this group are not eligible for a means-tested Cost of Living Payment
- those that applied but were not eligible for council tax support, if there income or capital was close to the threshold for eligibility for council tax support.

HSF has also been used to fund the food bank and other charities providing food and other essential supplies to residents. Any resident can apply to the food bank for support, and may be offered extra help through Burnley Together. Finally, the council was able to use household support fund to support more applicants applying for a discretionary hardship payment.

### **HSF4 proposed scheme**

10. On the basis that the council receives £950,000, the following scheme is proposed subject to confirmation of the number of eligible households and third party organisations agreeing to service level agreements prepared by the Head of Policy and Engagement. Delivery will start mid May if the council has entered into a funding agreement with the county council.

- £630,000 to provide a £90 payment to 7,000 working age householders in receipt of council tax support.
- £60,000 for applications from other households that have previously not received any form of household support or cost of living payment.
- £20,000 for additional discretionary hardship payments
- £130,000 for debt and case worker support:
  - £100,000 for Burnley Together to fund the salary and overheads for two telephone advisor posts, the Down Town shop co-ordinator.
  - £20,000 for the Citizens Advice Bureau. This will be used to increase debt and welfare rights advice in Burnley Town centre.
  - £10,000 for the CAP Debt Centre based in Padiham. This will be a contribution, alongside other external funders, towards increasing capacity at the centre for 1 year, with an additional 32 hours of debt advisor support and £600 a month in emergency voucher support being offered through the centre.
- £60,000 for food bank and community grocery stocks.
- £5,000 for other local charities providing support to the most vulnerable.
- £45,000 for administration costs (5%). 10% is considered reasonable by other districts in the county.

## **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

11. There are no new budget implications arising from this report.

#### **POLICY IMPLICATIONS**

12. Administration of the scheme is a key part of the council's response to the cost of living crisis.
13. Inflation has the greatest impact on those on low incomes so the recommendation ensures that the fund goes to those in greatest need.

#### **DETAILS OF CONSULTATION**

14. Not applicable.

#### **BACKGROUND PAPERS**

15. <https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils>

#### **FURTHER INFORMATION**

**PLEASE CONTACT**

**Rob Dobson**

