



OPEN REPORT COMMUNITY AND ENVIRONMENT COMMITTEE

Community and Environment Committee – 16th May 2024

HOUSEHOLD SUPPORT FUND – ROUND 5

Report of Director of Housing

Report Author and Contact Details

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Wards Affected

District wide

Report Summary

The Spring Budget included an announcement concerning Household Support Fund Round 5 (HSF5). Further details have only just been published and the scheme will operate in a very similar fashion to the previous rounds, though it is only for the first 6 months of 2024/25. Derbyshire County Council have indicated they will pass on a proportion of their £5m allocation, with around £900,000 for district and borough councils. As with the previous rounds it is proposed to deliver grants directly to residents through the Housing Team and Revenues and Benefits service. The HSF has been a significant factor behind the District Council's ability to perform its homelessness prevention duties.

Recommendation

1. That approval be given to the delivery of Round 5 of the Household Support Fund as set out in the report.

List of Appendices

Appendix 1 Draft bid to Derbyshire County Council

Background Papers

Household Support Fund report to Full Council 26th July 2022

Household Support Fund report to Community and Environment Committee Nov 2022 and July 2023.

Consideration of report by Council or other committee

Council Approval Required

No

Exempt from Press or Public

No

Household Support Fund – Round 5

1. Background

- 1.1 The government has made various grant awards to local authorities in order to deliver targeted financial support to business, communities and households as a result of Covid and to support the post-Covid recovery. The Household Support Fund is one such grant and several rounds of funding have been provided via the Department for Work and Pensions (DWP) to upper tier authorities. In previous rounds Derbyshire Country Council has passed on a proportion of their allocation to district and borough councils in order to support the prevention of homelessness. The 2024/25 Q1 & Q2 allocations for the Derbyshire Dales is anticipated to be £92,000. The final allocation was not available when this report was published.
- 1.2 Each district and borough council have been asked to submit a brief bid showing how they would spend the grant against the grant criteria. The expectation is that it should primarily be used to support households in the most need of support for food, energy and water bills. These areas are typically covered by the whole HSF5 grant managed by DCC. HSF5 can also be used to support households with essential housing costs, typically delivered by district and borough councils. In exceptional cases of genuine emergency, HSF can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.
- 1.3 The District Council's proposed bid to Derbyshire County Council for the Household Support Fund Round 5 is attached at Appendix 1. In summary the proposal focuses on continuing the Council's previous approach as set out in HSF rounds 1 to 4. The focus will be on helping with rent arrears, utility costs, food, transport, council tax and housing benefit arrears.
- 1.4 A summary of the previous HSF rounds is set out below. Members received a briefing paper from the Housing Department in April 2024.

Household Support Fund payment	Number of households receiving support	Total payment provided to households
HSF 1 (14/10/21 to 27/04/22)	217	£195,000
HSF 2 (05/07/22 to 30/09/22)	172	£99,899.15
HSF 3 (13/12/22 to 30/03/23)	141	£89,837.59
HSF 4 (14/06/23 to 31/03/24)	207	£185,459
TOTAL	737	£570,195.74

- 1.5 The HSF is just one of the many services the District Council either provides directly or through commissioned services to vulnerable households. The cost of living crisis is a very real issue for residents but help is available through the Council's own Housing Advice and Homelessness Service, the Home-Options Support Service, Citizens Advice and Age UK. Collectively

these services both reduce debt and help residents to access benefits and other financial support.

2. Key Issues

- 2.1 The Chancellor announced a final round of HSF funds to cover the period up to the end of September 2024. The additional Household Support Fund allocation will complement the existing financial support measures available, including those from the Derbyshire Discretionary Fund. All payments provided by the HSF5 must be made by the end of September 2024.
- 2.2 The timetable for the delivery of the HSF is again challenging as we are already part way through the financial year and have only recently been advised of the grant amount to be received. As with previous rounds, it is proposed to focus on housing related costs. A proportion will also be available to colleagues in Revenues and Benefits. The primary aim will be to reduce the threat of eviction and help vulnerable residents maintain their tenancy.
- 2.3 The Chancellor indicated HSF4 would be the final round of funding. However numerous pressure groups lobbied government to provide funds for a further HSF5 round, albeit only Q1 and Q2 of 2024/25.
- 2.4 The HSF has been critical to the delivery of the homeless prevention services during the post pandemic period and the cost of living crisis. The ongoing effect of these combined issues remains a concern and officers are therefore keen to identify other resources to extend the HSF in to Q3 and Q4 2024/25.

3. Options Considered and Recommended Proposal

- 3.1 Delivery of HSF5 has clear benefits to residents of the Dales and will support the council in the delivery of its services, particularly Housing and Revenues and Benefits.
- 3.2 As with previous rounds it is considered appropriate to split the allocation between the direct prevention of homelessness and provision of support to people with Council Tax and Housing Benefit arrears.

4. Consultation

- 4.1 There is limited opportunity for consultation given the pressing timetable, however the Council is spending the grant within the remit of the HSF5 grant award.

5. Timetable for Implementation

- 5.1 The national grant announcement was made in March 2024 but Derbyshire County Council did not receive formal notification until mid April. DDDC must spend the grant by the end of September 2024.

6. Policy Implications

- 6.1 The HSF5 directly supports people affected by the cost of living crisis. The fund will also help the Council to discharge its statutory homeless duties to vulnerable families. HSF4 therefore has a positive impact on the Council's ability to meet the housing needs of residents.

7. Financial and Resource Implications

- 7.1 The grant allocation for HSF5 is expected to be £92,000. As the report states, spending must take place before the end of September 2024 to meet grant conditions.
- 7.2 It is proposed the allocation will be split between the direct prevention of homelessness (£27,600) and provision of support to people with Council Tax and Housing Benefit arrears (£64,400) – See Appendix 1.
- 7.3 There is no revenue budget for this expenditure, so it is necessary to seek approval for a supplementary revenue estimate of £92,000 in 2024/25. As the amount is fully funded by grant and spending must commence promptly i.e., to avoid a potential delay in a referral to the next Council, the Director of Resources has authority to approve a supplementary revenue budget for 2024/25 under Financial Regulation 2.14.2.
- 7.4 Expenditure will be monitored by officers to ensure that it does not exceed the grant available. The financial risk is therefore assessed as low.

8. Legal Advice and Implications

- 8.1 This is a central government scheme which is now into its 5th round. The legal risk connected to this report has been assessed as low.

9. Equalities Implications

- 9.1 Homelessness services provide support for all residents. Certain priority groups are given additional support and these often overlap with protected groups and vulnerable households. The equalities implications are therefore positive.

10. Climate Change Implications

- 10.1 There are limited climate change implications resulting from the HSF and so a CCIA has not been completed.

11. Risk Management

- 11.1 The main risk associated with HSF5 concerns the ability to spend the grant within the timeframe remaining. However the Housing Team has well developed systems in place to deliver the grant support to residents and so the risk of failing to spend is relatively low. Spend against the grant will be monitored by the Housing Operations Manager.

Report Authorisation

Approvals obtained from Statutory Officers:-

	Named Officer	Date
Director of Community & Environmental Services, in absence of the Chief Executive	Ashley Watts	8/5/2024
S.151 Officer (or Financial Services Manager)	Gemma Hadfield	8/5/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	1/5/2024

Appendix 1

Proposal to Obtain Funding Allocation for Derbyshire Dales

Introduction

DDDC successfully delivered HSF1, 2, 3 and ,4 spending the full allocation within the required timeframe. We have an existing homelessness prevention scheme in place. This scheme, which draws on the annual homelessness prevention grant allows us to help vulnerable households (families and singles) across the housing sector who are threatened with or experiencing homelessness. As with previous rounds we will expand this scheme and so remove the need to create any new processes. DDDC will not advertise the fund, instead staff from the Housing Team and Housing Benefit & Council Tax will review existing cases. We will also work with Citizens Advice, Age UK and our unique Housing Support Service to target vulnerable households experiencing financial hardship.

We are currently able to provide the following interventions in relation to preventing and relieving homelessness

1. Help with rent deposits and rent in advance payments
2. Help with utility costs
3. Help with essential spends to free up income for housing costs
4. Transport costs to attend interviews for accommodation
5. Payments for housing debt to assist people to stay or relocate to more stable housing

Current climate and future risks

Applications relating to rent arrears and threats of eviction from the private and social rented sectors remain high and we anticipate this to continue in to 2024/25. Rent arrears will be the number one issue and we are now seeing families who were furloughed needing help with rent arrears in order to prevent homelessness.

Uses for the household support grant (£92,000)

The additional funding available will be utilised to further support households facing financial hardship and/or threatened with homelessness.

Our proposal at this stage is;

- £27,600 for the discretionary housing benefit payment fund to alleviate financial hardship
- Additional homeless prevention funds to assist those threatened with homelessness in social tenancies £64,400

Any payments under this initiative will be authorised by Simon Beynon Homelessness lead or Paul Radcliffe, Benefits Manager and recorded using the matrix already provided.