


<p><b>Individual Mayoral Decision</b></p> <p>December 2021</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Ann Sutcliff, Corporate Director of Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Household Support Grant</b></p>	

<b>Lead Member</b>	<b>Cllr Mufeedah Bustin, Cabinet Member for Social Inclusion – (Job Share post as part of Social Inclusion and Public Realm portfolio)</b>
<b>Originating Officer(s)</b>	Ellie Kershaw, Head of Tackling Poverty
<b>Wards affected</b>	All
<b>Key Decision?</b>	Yes
<b>Forward Plan Notice Published</b>	28 October 2021
<b>Reason for Key Decision</b>	Financial Threshold
<b>Strategic Plan Priority / Outcome</b>	All

### **Executive Summary**

Since December 2020 the Council has received a number of payments from the DWP in the form of the Covid Winter Grant, the Covid Local Support Grant and now the Household Support Grant.

The purpose of this grant is to provide food and energy support as well as essential household goods to residents. The Council has been allocated £2,996,000 to be spent between 1 October 21 and 31 March 22.

This report is seeking permission for two proposed uses of the grant:

1. To make small grants to a number of organisations working with specific cohorts of people that the council wants to reach or providing a specific service and
2. To purchase up to £2,500,000 of supermarket vouchers for distribution by a range of Council departments and partners.

Both of these decisions require an Executive decision which is being sought via IMD due to the time constraints in distributing the funding and the urgent imperative to support residents with rising fuel costs as winter approaches.

## **Recommendations:**

The Mayor is recommended:

1. To approve the purchase of up to £2.5 million of supermarket vouchers to be distributed to residents meeting the fund criteria
2. To give delegated authority to the Corporate Director Place to approve further supermarket voucher purchases should this funding be renewed past March 22
3. To approve the grants listed at 3.6 to provide food, energy vouchers and essential goods to residents, particularly hard to reach groups, on the Council's behalf
4. To give delegated authority to the Corporate Director Place to approve grants up to a maximum value of £15,000 each from this funding to VCS organisations providing support to key cohorts for eating and keeping warm where it is identified that these would be of benefit to specific groups the Council wishes to support whose purpose and needs align to the intention of the Government's Household Support Grant.

## **1 REASONS FOR THE DECISIONS**

- 1.1 In October the Government announced the formation of the Household Support Grant, to be used to support households between October 21- March 22. All funds must be spent and items used by that date, which does not leave sufficient time for a formal procurement exercise, or to take the recommendations to the Grants Committee.
- 1.2 The Council is trying to reach as many residents as possible through working with a wide range of partners. In some cases this will mean partners distributing vouchers on the Councils behalf, for others, receiving food from the Council's hub to give to residents. In some cases a direct grant is more appropriate. This will be of particular benefit to residents who do not have either the means or ability to cook hot food over winter.

## **2 ALTERNATIVE OPTIONS**

- 2.1 The Council could choose to distribute cash rather than vouchers and in kind support. However, this would require an enormous amount of costly administration and would rely on residents approaching us, meaning the chances of hard to reach groups missing out would be significantly higher. Vouchers also have a lower chance of being used fraudulently than cash payments.

### **3 DETAILS OF THE REPORT**

- 3.1 Throughout the pandemic DWP has been providing Councils with grants to support people struggling with household items. The latest grant is the Household Support Grant, which is intended to support residents with food, energy, essential bills and items related to heating and eating.
- 3.2 Tower Hamlets has been allocated £2,996,000 to be spent between October 21- March 22. Any unused funds at the end of this time must be returned to DWP.
- 3.3 Whilst the DWP has provided guidance on what the funding must be spent on, how it is allocated is at the Council's discretion. A minimum of 50% must be allocated to households with children.
- 3.4 As with previous grants, in order to reach the greatest number and diversity of residents, the Council intends to work with a wide range of partners to disseminate this grant. There are two main ways to do this; distribution of supermarket vouchers and provision of grants to VCS organisations.
- 3.5 Supermarket vouchers are a simple method of distributing funding to households. However, due to the size of this grant allocation, the Council would need to purchase a significant number of supermarket vouchers, requiring an executive decision.
- 3.6 It is further requested that a number of small grants are approved to enable some partners to reach key groups the council may otherwise miss

Organisation	What For	How much	Who benefits
Bromley by Bow Centre	Energy vouchers	100,000	Wide range of residents
CAB	Energy vouchers	50,000	Wide range of residents
St Mungo's	Food and warm clothing for homeless people,	6,000	Single homeless people
Providence Row	Hot food and warm clothing for homeless people	18,000	Single homeless people
Growth night shelter and Housing Project	Move on support for those entering housing- bedding, food and heating	2,000	Single homeless people
Age UK	Food and energy support via lunch clubs, hospital discharge and energy advice	20,000	Older people
Neighbours in Poplar	Hot food delivered to older people	12,000	Older people

- 3.7 It is possible that throughout the duration of this grant, other VCS organisations providing support to key cohorts may be identified. In order that these grants can be made quickly to meet the grant deadlines, it is requested that the Corporate Director for Place be given delegated authority to make

grants of up to £15,000 to VCS organisations who are identified as offering support for food and keeping warm to key cohorts of residents up until 31 March 2022.

#### **4 EQUALITIES IMPLICATIONS**

- 4.1 Single parents, disabled people, young working aged people, pensioners and people from BAME backgrounds are more likely to be impacted by poverty and the ongoing issues caused by the pandemic. The Council will work with a wide range of partners to distribute this grant to ensure that we reach as many people as possible.

#### **5 OTHER STATUTORY IMPLICATIONS**

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
  - Consultations,
  - Environmental (including air quality),
  - Risk Management,
  - Crime Reduction,
  - Safeguarding.
  - Data Protection / Privacy Impact Assessment.

- 5.2 Provision of food and heating supports the councils statutory safeguarding role

#### **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 The DWP has allocated £2.996m of grant funding to Tower Hamlets as Household Support Grant to fund essential purchases (clothing, food and utility bills) for vulnerable households to assist in meeting the impact of the pandemic. The grant must be spent between 1<sup>st</sup> October 2021 and 31<sup>st</sup> March 2022. Any grant that is not spent by 31<sup>st</sup> March 2022 must be returned to the DWP.
- 6.2 Grant payments will be made to Authorities in arrears on receipt of a fully completed and verified Management Information return. An interim return for the period 6<sup>th</sup> October 2021 to 31<sup>st</sup> December 2021 will be due on the 21<sup>st</sup> January 2022 and a final return for the period 6<sup>th</sup> October 2021 to 31<sup>st</sup> March 2022 will be due on the 22<sup>nd</sup> April 2022
- 6.3 The DWP has issued guidance to the Council on spending the grant but there is discretion as to the way the grant is allocated, as long as it is funding essential items for vulnerable households and at least 50% is allocated to such households with children.

- 6.4 Due to the time constraints to spend this money it is proposed that £2m is spent on supermarket food vouchers, with a further £0.2m being passported to charity partners for specific projects detailed in para 3.6. The remaining grant will be allocated to the Resident Support Scheme, £0.300m for additional food and fuel awards, £0.150m admin fee and £0.250m as a contingency.

## **7 COMMENTS OF LEGAL SERVICES**

- 7.1 This matter requires an urgent decision by the decision taker, and cannot reasonably be deferred, to enable the timely consideration and implementation of this matter and to meet Government deadlines to enable allocations to be made.
- 7.2 The Council must have a clear rationale or documented policy/framework outlining their approach including how they are defining eligibility and how households access the scheme.
- 7.3 The Council will be asked to report and manage spend in relation to the conditions set out above. Information will, however, be requested from DWP on which groups have benefitted from grants, administrative costs and payment assurance. Information provided to DWP must be copied to the Section 151 officer to provide assurance on validation of funding spend.
- 7.4 The Council has the legal power to undertake the activities referred to in this report.
- 7.5 Grants are usually awarded following a decision made by Grants Determination Sub-Committee. However, the GDSC acquires its decision-making power from the Mayor under the constitution and therefore in accordance with administrative law the delegator of a decision may still take the decision him or herself. Therefore, the Mayor is entitled to make all of the decisions referred to in this report. In any event, where the funds are to be spent as a contract for services it is appropriate for the decisions to be made by the Mayor as an IMD.
- 7.6 The Council is responsible for ensuring that the grants represent statutory Best Value. Therefore, the grants will be supported by agreement terms which allow the Council to monitor the use of the funds and ensure it is spent on the items for which the money is intended.
- 7.7 The Council's mode of transferring the grant to the members of the public is by buying vouchers from commercial organisations which will then be distributed to the public. There is the potential that this purchase could represent procurement activity albeit that the intention is to bestow assistance as a grant to members of the public. However, due to the need to provide assistance urgently and the unforeseeability of the circumstances Regulation 32 of the Public Contracts Regulations 2015 allows the Council to make an award of a contract without running an open or restricted tender where time does not allow. Therefore, in the event that this Grant constitutes

procurement activity, the Council need not have tendered in these circumstances.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

None

### **Appendices**

None

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

None

### **Officer contact details for documents:**

N/A