


Individual Mayoral Decision 06/06/24	 TOWER HAMLETS
Report of: Paul Patterson, Director Housing and Regeneration	Classification: Unrestricted
Disbursement of Household Support Fund 24/25	

Lead Member	Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living
Originating Officer(s)	Dominic Hinde, Acting Head of Tackling Poverty
Wards affected	All Wards
Key Decision?	No
Reason for Key Decision	This decision has been assessed as not meeting the Key Decision criteria
Forward Plan Notice Published	N/A
Exempt information	N/A
Strategic Plan Priority / Outcome	Priority 1 – Tackling the Cost-of-Living Crisis

Executive Summary

LBTH is responsible for the delivery of central government’s Household Support Fund to support vulnerable residents with food and fuel through the cost of living crisis. This IMD seeks to confirm which cohorts will receive direct grants through the Household Support Fund and by what method this will be done.

Recommendations:

The Mayor is recommended to:

1. Note the Household Support Fund delivery plan as agreed by the Mayor in May 2024 and submitted to the DWP
2. Authorise the Corporate Director Housing and Regeneration to agree the methods of delivery for the HSF programme
3. Authorise the Corporate Director Housing and Regeneration to make appropriate arrangements and enter into all necessary agreement to ensure the disbursement of HSF funds to residents in accordance with this report

1 REASONS FOR THE DECISIONS

- 1.1 Central government provides funding to deliver the Household Support Fund (HSF) from the Department for Work and Pensions to support with the cost of living. HSF delivery has a number of criteria, must be delivered to certain strict timescales, and will require the dissemination of grants.
- 1.2 DWP guidance on the allocation of the Household Support Fund requires LBTH 'to complete a delivery plan to outline their intentions for The Fund, clearly setting out their priorities and approach for use of the Fund, and to demonstrate the ways in which they intend to allocate their funding.'
- 1.3 The Household Support Fund delivery plan was agreed by the Mayor on 24th May 2024 and submitted to DWP, but legal comment outlines that payments to residents will constitute a grant and therefore will require formal approval.
- 1.4 The grant is time-limited; funds must be spent by 31st September 2024, making approval of this paper urgent. Due to the very late notification from DWP of our receipt of the grant, and the time needed to develop and agree proposals, approval via Cabinet is not possible and so an IMD is required.

2 ALTERNATIVE OPTIONS

- 2.1 Do nothing – failure to approve a distribution method will prevent the council from delivering the Household Support Fund programme in time, requiring the council to return unspent funds to DWP.

3 DETAILS OF THE REPORT

Household Support Fund

- 3.1 Tower Hamlets Council has been awarded £2,996,279 through the Household Support Fund, a Department for Work and Pensions (DWP) grant to Local

Authorities (LAs) ‘to provide support to vulnerable households in most need of support to help with significantly rising living costs’. It is intended to meet immediate needs and be spent on energy, food and water bills, and other related essentials.

3.2 The delivery plan has been agreed with the Mayor and submitted to DWP, and alongside other interventions such as an open application for funding and the provision of supplies for residents, includes provisions for voucher and cash distribution.

3.3 The table below outlines the agreed schemes. The precise values for some will depend to some extent on the data at the point of disbursement, and so values are approximate and may vary between different schemes at the point of delivery.

	Cohorts	Description	Method	Number of recipients	Voucher value	Amount allocated
Direct payments						
1	Disability	Direct payment to households claiming local benefits and disability benefits known to be in the worst financial situation	Cash vouchers	3012	£65	£200,000
2	Pensioners	Direct payment to pension-age households claiming local benefits known to be in the worst financial situation	Cash vouchers	5518	£95	£543,300
3	Households with children	Direct payment to households with children known to be in the worst financial situation	Cash vouchers	7871	£65	£521,000
4	Single households	Direct payment to single households claiming local benefits known to be in the worst financial situation	Cash vouchers	824	£80	£66,400
5	Worst off	Direct payment to households claiming local benefits known to be in the worst financial situation	Cash vouchers	985	£100	£99,700
6	Families with SEND children	Payments to children identified as having an Education, Health and Care Plan (EHCP)	Supermarket vouchers – as strongly recommended by SEN manager	3121	£25	£80,000
Internal/frontline teams						
6	Those with No Recourse to Public Funds	Vouchers for those with No Recourse to Public Funds distributed through the migration team (uncertain address/potential for no ID so cannot be cash)	Supermarket vouchers	200	TBC	£20,000
7	Young carers	Vouchers for young carers engaged with our Young Carers Engagement Officer (Supporting	Cash vouchers (unless data unavailable,	100	TBC	£10,000

		Families) to support with food and energy costs	otherwise supermarket vouchers)			
8	Care leavers	Vouchers or energy bill support for recent care leavers identified through the council team	Cash vouchers or direct support with energy bills	150	TBC	£15,000
9	Carers' Centre	Vouchers for those with caring responsibilities engaged through the Carers' Centre	Cash vouchers (unless data unavailable, otherwise supermarket vouchers)	200	TBC	£20,000
10	Resettlement team	Vouchers for recent migrants engaged with council's resettlement team	Cash vouchers (unless data unavailable, otherwise supermarket vouchers)	100	TBC	£10,000
11	Social work team	Vouchers for those in need identified by council's social workers	Post Office if data exists, otherwise supermarket vouchers	300	TBC	£15,000
12	Temporary Accommodation	Vouchers for those in Temporary Accommodation	Supermarket vouchers	1000	TBC	£100,000
13	Homeless team	Vouchers for street homeless distributed through the homelessness team	Supermarket vouchers	300	TBC	£20,000
14	Violence Against Women and Girls team	Vouchers for women in shelters or refuges escaping domestic violence	Supermarket vouchers	300	TBC	£30,000
15	Support for housing costs – benefits team	Ringfenced sum to explore establishing a scheme to provide support with housing costs to those not eligible for Discretionary Housing Payments (to be redistributed to cash payments if not feasible in time)	Cash payment	TBC	TBC	£30,000
Direct delivery						
16	Baby banks/community cupboards	Toiletries, nappies, and other essential household items provided through Tower Hamlets Children's Centres and Kitkat Terrace	Items	7,000	N/A	£60,000
17	Food hub	Food support provided to local food banks and food aid organisations to support residents presenting in short term crisis. This supports 60+ local organisations with over 15,000 meals per week at this funding level.	Items	TBC	N/A	£250,000
By application						

18	Resident Support Scheme	By-application grants for food, fuel and household items – top-up to existing RSS scheme. A by-application allocation is a requirement of the fund and this will fulfil that requirement.	Food/utilities voucher or item (depending on award)	TBC	Variable	£600,000
	Admin					£299,627.94
	Total					£2,996,279.40

The proposed funding allocations above are provisional and subject to revision or reallocation between agreed projects on the basis of changing data and circumstances.

- 3.4 Where the methods of distribution outlined in the above relate to vouchers, they will be delivered along the following pathways:

Vouchers - Post Office

- 3.5 A letter is sent to a named resident, which contains a bar code which can be exchanged for cash at the Post Office on presentation of appropriate ID. This option is recommended for all schemes where the Council owns data that contains the name and address of the resident. The production of ID satisfies any audit requirements around use of this method.

- 3.6 A contract will be entered with Post Office via RCDA, in line with advice provided by Legal Services.

Vouchers - Supermarket

- 3.7 Where immediate support is needed for which waiting for a letter to be posted is not appropriate, or where cash distribution is not appropriate, physical supermarket vouchers are recommended.
- 3.8 The council will buy the vouchers from the supermarkets and give them directly to families to exchange at the supermarkets for provisions. Therefore, there will not be any costs associated with the administration of this part of the scheme.

4 EQUALITIES IMPLICATIONS

- 4.1 For cohorts targeted in this tranche of Household Support Fund which link to specific protected characteristics (e.g. pensioners), an Equalities Impact Analysis Screening tool has been used to justify those decisions.
- 4.2 Decisions on the type of voucher must take into account considerations around disabilities and access if requiring individuals to collect cash or spend only in store. Appropriate alternatives should be in place if these options are chosen.

- 4.3 Large supermarkets such as Tesco or Asda offer a broad range of items and essentials. Where a resident is accessing a local, smaller Tesco with less items, the voucher would help offset other household expenditure and raise the overall income which can then be used elsewhere for culturally appropriate foods where applicable.

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 Safeguarding – support relates to payments made to vulnerable residents, and due care must be taken to ensure the allocation of these funds do not expose recipients to harm, and that they can be suitably redeemed and utilised by the intended recipient.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 Tower Hamlets Council has been awarded £2,996,279 through the Household Support Fund, a Department for Work and Pensions grant to Local Authorities to provide support to vulnerable households. This grant must be spent by 30th September 2024. The delivery of the scheme has been approved by the Mayor, and key projects and their delivery routes are outlined in para. 3.3.
- 6.2 The grant will be paid quarterly in arrears based on spend levels in the previous quarter. Each quarter a government return will be completed evidencing the spend. Failure to deliver the schemes will result in the Council not being able to claim the full grant awarded.
- 6.3 This report is seeking approval of procurement and distribution routes for these various projects. The Council is claiming 10% of the grant value as administrative fee. As a result, there will be no revenue or capital budget implications emanating from the distribution of the Household Support fund, with the administrative costs and costs to external organisations being charged against the grant.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The Council has the legal power to undertake the activities detailed in this report
- 7.2 The report refers to the distribution of support to people who have no recourse to public funds. This will be only where the existing legal framework allows for such support and where it aligns with the guidance for local authorities issued by the DWP called "1 April 2024 to 30 September 2024: Household Support Fund guidance for county councils and unitary authorities in England"
- 7.3 Having received the funds from the DWP the funds then constitute Council expenditure. However, the Council may only utilise the funds in accordance with the conditions imposed by the DWP. Failure to comply with the terms (as evidenced in the guidance notes for local authorities issued from time to time) would mean the Council would have to repay the funds to the DWP. Therefore, the Council will monitor the distribution of funds (by voucher or otherwise) to ensure they are used for the purposes they are intended.
- 7.4 The Council's Best Value duty applies to the giving of these grants although the funds have been granted to the Council under conditions by the DWP. The Council has a wide discretion to determine what in its opinion represents Best Value in respect of the delivery of its functions. The mode of delivery of these grants may be considered to be one which a reasonable authority may determine as being appropriate in the circumstances given such elements as the geographical location of recipients, grant terms imposed by the DWP, the make up and distribution of the people who are in need etc and therefore, it is open to the Mayor to determine that the proposed methodology represents Best Value.
- 7.5 The giving of the grants as referred to in this report falls outside the scope of the Subsidy Control Act 2022

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