

CABINET

5 SEPTEMBER 2023

HOUSEHOLD SUPPORT FUND: 2023/24 FULL YEAR ALLOCATION AND FREE SCHOOL MEALS – AMENDMENT

Portfolio Holder: Councillor Vince Maple, Leader of the Council

Report from: Phil Watts, Chief Operating Officer

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Gemma Gilley, Head of Benefits & Financial Welfare

Summary

This report sets out proposals to amend the use of the Household Support Fund (HSF) for the period 1 April 2023 to 31 March 2024 to ensure the grant is disbursed in full to Medway's residents.

1. Recommendations

- 1.1. Cabinet is asked to agree the proposals set out in section 5 of this report as the Council's approach to delivering the Household Support Fund and to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council, to finalise and implement these proposals.
- 1.2. Cabinet is asked to agree to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council to submit a revised Delivery Plan for Medway to the Department for Work and Pensions in line with the Cabinet decision on this report.
- 1.3. Cabinet is asked to agree to delegate authority to the Director of Public Health, in consultation with the Leader of the Council, to disburse £150,000 to members of the Medway Food Partnership.
- 1.4. Cabinet is asked to agree to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council, to determine how to disburse any residual balance should it become clear that the activity in this report would not utilise the allocation in full.

2. Suggested reasons for decisions

- 2.1. Given the lack of cost to the local taxpayer it is appropriate for the Council to introduce these measures to support our most vulnerable residents.

3. Budget and policy framework

- 3.1. Matters relating to grant funding to support Medway's population are a matter for Cabinet.

4. Background

- 4.1. At Cabinet on 4 April 2023, members agreed to plans for the Household Support fund for 2023/2024. It was agreed to distribute the funds by allocating £2,512,825 to provide vouchers during school holidays for those eligible for free school meals, £1,600,000 to continue the successful scheme providing grants to residents and for the remaining £412,101 to cover administration costs, as per decisions 51/2023,52/2023 and 53/2023.
- 4.2. Uptake of the scheme providing grants to residents has reduced in the first quarter of 2023/24 compared to the previous year, and a higher proportion of those applying were not able to demonstrate hardship to be eligible for an award. Consequently, the spend overall for the Council's total allocation through the fund is lower than anticipated and it will be necessary to amend the arrangements in place in order to ensure the Council disburses its allocation in full to the residents of Medway.

5. Proposed scheme changes

- 5.1. To ensure the Council disburses its allocation in full to the residents of Medway during 2023/24, the following changes are proposed:

5.2. Grant Scheme

- 5.2.1. The grant scheme has only awarded £178,575 up until 14 August 2023. To further increase visibility of the scheme, it is proposed that £7,400 is spent on a communication plan which details essential cost of living information whilst promoting the help provided through the HSF.
- 5.2.2. It is considered that one barrier to the scheme may be the application process, it is therefore proposed to remove the need for residents to add their income and expenditure to the application form. Applicants would be able to simply attach their most recent bank statements which will enable a financial assessment to take place. We will include an additional information box which will enable the applicant to state why they are applying for the grant. Both of these amendments will simplify the online application process for residents whilst reducing administration costs to the Council.
- 5.2.3. The internal claims process will remain as agreed in April 2023 as will the values of support provided to residents.

5.2.4. It is proposed to reduce the amount allocated to the grant scheme to £1,000,000 to enable funds to be repurposed elsewhere within the HSF spend.

5.3. Free School Meals

5.3.1. It is acknowledged that December is a difficult time for parents on low incomes, therefore it is proposed that support for school holidays in December will be increased to £25 per week, providing a maximum award of £50 per eligible child. This takes the projected spend to £2,754,163.61.

5.4. Grants to Third Sector Organisations

5.4.1. The Council recognises the effect that the cost-of-living crisis is having on our partners and their ability to support our residents. With that in mind, £150,000 will be allocated for the Medway Food Partnership to disburse amongst its members.

5.5. Administration

5.5.1. The Council had originally allocated 10% of the fund to administration in line with the guidance and previous spend however, as a consequence of the proposed changes, we can amend the amount spent on administration from £452,492.60 to £338,140.

5.6. Unallocated balance

5.6.1. Following the proposed changes, £276,633.39 of the Household Support Fund remains unallocated. It is proposed that the decision to allocate this balance be made later in the year, based on updated information and to enable the Council to respond to any opportunities to support residents that may arise in the coming months. It is recommended that a delegation be approved to enable the Chief Operating Officer, in consultation with the Leader of the Council, to disburse this balance in due course.

6. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Expenditure is not recovered through the Grant claim process.	Expenditure made may be on activities that are not within the grant conditions, and therefore the Government does not fund these through the second and third payments.	The proposal has been designed to ensure expenditure is claimable. Arrangements will be in place to record and monitor expenditure and submit claims in due course.	CIII

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

7. Financial implications

7.1. Medway's HSF allocation is for the period 1 April 2023 to 31 March 2024 is £4,524,926. Expenditure in line with the grant determination and guidance is claimable from the government in arrears up to the allocation, as has been the case for all tranches of this funding.

8. Legal implications

8.1. Under the Equality Act 2010, all public authorities must comply with the Public Sector Equality Duty. For the purposes of this grant, you should consider how any support that helps people facing severe financial hardship impacts those with characteristics protected under the Equality Act.

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Appendices

None

Background papers

None