Report for: Cllr Chandwani, Cabinet Member for Tackling Inequality and Resident

Services

Item number: n/a

Title: Household Support Fund: 01 April 2025 to 31 March 2026

Report

Authorised by: Barry Francis, Corporate Director of Environment and Resident

Experience

Lead Officer: James Straw, Benefit Manager

Ward(s) affected: All

Report for Key/

Non-Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1 The Government, through the Department of Works and Pensions (DWP) launched the Household Support Fund in October 2021, and extended it multiple times, covering the continuous period up to 31 March 2025. In March 2025, the DWP provided guidance that the scheme would be extended for a further twelve months for the period 1 April 2025 to 31 March 2026.
- 1.2 Local authorities are responsible for administering the Fund in their area. Haringey Council has been allocated £4,241,687.45 for the 12-month period.
- 1.3 The objective of the Fund is to provide support to households in the most need. The Fund is intended to cover a wide range of low-income households in need including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people, with an emphasis on supporting households with energy, food, and water bills.
- 1.4 The Household Support Fund will allow the Council to continue its support to households most in need. This report is seeking approval for the allocation of this funding.
- 1.5 The Household Support Fund Scheme Policy: May 2025, sets out the Council's arrangement for administering the Fund, which complies with the conditions stipulated by DWP. This decision will approve the allocations policy for this phase of funding.

2. Recommendations

It is recommended that the Cabinet Member for Resident Services and Tackling Inequality:

2.1 Notes the Household Support Fund allocation from the government of £4,241,687.45 for the period 1 April 2025 to 31 March 2026.



- 2.2 Approves the allocation of this funding as set out in Appendix 1
- 2.3 Delegates authority to the Delivery Director (Tackling Ineqality), following consultation with the Cabinet Member for Resident Services and Tackling Inequality, to amend this policy to maximise and control the distribution of the fund and to give effect to changes in legislation, statutory or non-statutory guidance, or directives or instructions of a similar character issued by Government.
- 2.4 Delegates authority to the Delivery Director (Tackling Inequality) following consultation with the Cabinet Member for Resident Services and Tackling Inequality, to provide Free Schools Meal (FSM) vouchers to households with children who are eligible for free school meals during the Easter 2026 holidays from a future allocation of Household Support Fund, provided such an allocation is made and such an allocation is permissible under any such scheme. The vouchers are distributed by schools.
- 2.5 Agrees that this policy is subject to the availability of government funding and will terminate on 31 March 2026; and (in the event that government increases the funding available and/ or extends the eligible period beyond 31 March 2026), agrees that authority is delegated to the Delivery Director (Tackling Inequality) to extend this policy as appropriate.

3. Reasons for decision

- 3.1 The Government through the Department of Works and Pensions (DWP) has provided funding to local authorities to administer the Household Support Fund. It is acknowledged that local authorities have the local ties and knowledge and are best placed to allocate funding according to local need.
- 3.2 The Guidance for the Fund provides for local authorities to determine eligibility in their area and target support to those most in need but within the scope of conditions set by DWP. The proposed decision on the Household Support Fund sets out how the Council will target and deliver support to residents. This spend is targeted to those who are most in need and is in accordance with the Scheme.
- 3.3 The Household Support Fund payments will support households over the grant period and all funding must be spent between 1 April 2025 to 31 March 2026.
- 3.4 The Council has identified that the cohort of low-income households with children, who are eligible to receive free school meals vouchers, will be particularly impacted by the challenges presented by the significantly rising cost of living. Without support over the school holiday period, children in these households will not be able to access free meals.
- 3.5 The Council has also identified cohorts of low-income residents who are "at risk" or "in crisis" (using its Low-Income Family Tracker (LIFT) data) or have no recourse to public



- funds. The council recognises that these groups will be particularly impacted by the challenges presented by the significantly higher cost of living.
- 3.6 The Council has also identified low-income pensioners who are not in receipt of Pension Credit will no longer received a Winter Fuel Voucher from the Government and so has included provision for this within the scheme.
- 3.7 The Guidance for the Fund requires local authorities to include an application-based approach for residents and the Council proposes to achieve this requirement through the allocation of fund to its local welfare assistance scheme: the Haringey Support Fund.
- 3.8 The Council will work closely with voluntary and community sector partners to promote awareness of the application-based scheme and encourage applications from hard-to-reach communities.
- 3.9 Funding will also be distributed to the voluntary and community sector for the provision of warm spaces in the Winter. This provision was previously funded through the UK Shared Prosperity Fund, which has now ended.

4 Alternative options considered

4.1 A variety of options were considered which included higher values of vouchers distributed to residents. However, these options were discounted as it would leave insufficient funding for the Haringey Support Fund, which is the application-based route required by the Fund's rules.

5 Background

- 5.1 In October 2024, the government confirmed the extension of the Household Support Fund making £742m available to County Councils and Unitary Authorities in England. The objective of the Fund is to provide support to vulnerable households in most need to help with significantly rising living costs.
- 5.2 Authorities should support a wide range of low-income households, not limited to those in receipt of benefits. The Council has the flexibility within the Fund to identify which vulnerable households are in most need of support and apply its own discretion when identifying eligibility. Furthermore, The Fund aims to provide preventative support which is targeted at preventing vulnerable households from either falling into crisis or preventing the crisis from worsening. The Fund is intended to cover a wide range of low-income households in need, including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people, larger families, single-person households, and those struggling with one-off financial shocks or unforeseen events.
- 5.3 Local Authorities have been given the discretion to decide how this funding should be used provided it is within the scope of the guidance. Authorities have the ability to deliver support through a variety of routes including providing vouchers to households



or to third party organisations such as schools, making direct provision of food or goods, or issuing grants.

- 5.4 When administering the Fund, Local Authorities are encouraged to adopt the following principles:
 - Use discretion on how to identify and support vulnerable households
 - Use the funding from 1 April 2025 to 31 March 2026 to meet the cost of essentials.
 - In exceptional cases of genuine emergency, the funding can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need, subject to conditions set out in the guidance.
 - Consider offering a level of preventative support, which has a long-term sustainable impact.
- 5.5 In addition, authorities must operate an application-based service for support to ensure those in need have a route to emergency support. Authorities are expected to establish eligibility criteria for their application service and should communicate with residents to ensure that their scheme and mechanism for applying is clear and accessible.
- 5.6 The proposed Household Support Fund Policy May 2025 is attached at Appendix 1. It sets out the details of the scheme to be applied in Haringey to address local need. As part of the Council's overarching approach to supporting those in need during the cost-of-living crisis, we continue to adopt a strengths-based methodology which seeks to build routes out of poverty for local residents where possible.

6 Contribution to strategic outcomes

6.1 This Household Local Support Fund Policy April 2025 meets the priorities and outcomes of Corporate Delivery Plan 2024 to 2026 and supports efforts to mitigate the impact of the cost-of-living crisis in the local community.

7 Statutory Officer Comments

7.1.1 Finance

The report seeks approval to administer the Household Support Fund of £4.2 million awarded by the Department for Works and Pensions (DWP) for the financial year 2025/26. The Fund is an extension to the support awarded for 2024/25 to help the vulnerable and hard to reach residents in the borough.

The DWP will make quarterly payments in arrears after the receipt of quarterly monitoring information from the Council. The Fund will be ring-fenced and spent in line with the DWP guidance and terms and conditions.

A robust process is in place to manage the Fund, and the Fund will be administered within the current budgets and resources available to the service.

7.2 Legal

The grant funding to local authorities is made pursuant to s31 Local Government Act 2003 which permits the Government to pay grants to local authorities towards



expenditure incurred or to be incurred by it. The Household Support Fund Grant Determination 2025 No31/7670 and the 1 April 2025 to 31 March 2026, Household Support Fund Guidance for County Councils and unitary authorities in England, sets out the conditions for the grant funding.

In determining the arrangements for the scheme, the authority must ensure that the grant funding conditions are met. Non-compliance could lead to a duty to repay the grant. Local Authorities are required to use The Fund to offer essential crisis support according to local need, alongside which they are encouraged to deliver some level of preventative support. Support can be delivered through cash, vouchers or in kind. The guidance sets out the types of support which includes energy, water, food and support with wider essentials such as clothing, if the authority considers it appropriate for their area.

Authorities have flexibility to identify which vulnerable households are most in need and apply their own discretion when identifying eligibility. Authorities can deliver the scheme through a variety of routes including proactively identifying households in need, through an application-based system where individuals approach the local authority for support and by issuing grants to TPO's to provide the support on behalf of the Authority. It is a requirement that every Authority must operate at least part of their scheme on an application basis. The support scheme must be clearly advertised, be inclusive and accessible. Funds must be spent or committed before 31 March 2026 and cannot be carried over for future usage.

The Council's proposed May 2025 'Household Support Fund Scheme Policy' sets out how the scheme will be used and complies with Government Guidance.

7.3 Strategic Procurement

Strategic Procurement were consulted in the preparation of this report

Strategic Procurement note the recommendations in section of the report refer to approval of the allocation of funding for the The Household Support Fund payments and not a procurement related decision.

Strategic Procurement have no objections to the report recommendations.

7.4 Equalities

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not



 Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status apply to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey treats socioeconomic status as a locally protected characteristic.

The proposed decision is to approve the Household Support Fund Scheme Policy (attached in Appendix 1), which sets out the Council's arrangement for administering the funding provided by the government.

The objective of this decision is to support residents facing increased costs due to pressures on household finances, including inflation, rising energy prices, and changes to Universal Credit.

The decision will allocate an estimated £1.89m to free school meal vouchers during the school holidays. This will have a positive impact on households of low socioeconomic status by ensuring that those eligible for receipt of free school meals continue to receive support during the holiday period. This will also positively impact children in low-income families as it will increase their household's capacity to purchase healthy and nutritious food. Data from the Autumn 2022 school census shows that over 7,700 (27%) Haringey residents attending Haringey schools are eligible for Free School Meals (Haringey Family Hub Needs Assessment, 2023). These residents are disproportionately located in the East of the borough, where levels of financial deprivation are higher and there is an overrepresentation of non-white British residents in the population (Haringey Ward Profiles, 2024), meaning the decision will potentially have a positive equalities impact for ethnic minority groups, especially Black and Black British residents.

It is noted that by delivering this portion of the support fund as free school meal vouchers, vulnerable resident's eligible for free school meal support will automatically receive this with no additional application necessary. This delivery mechanism will help ensure that everyone entitled to this support will receive it, and no one will miss out due to challenges accessing it.

This decision will allocate an estimated £1.3m to direct cash payments of £95 to families in financial stress with children ineligible for free school meals, pensioner households in financial distress, low-income households with children under five, care leavers and households with no recourse to public funds. This will have positive equalities impacts for low socioeconomic status households, young children and older residents. Care leavers are disproportionately male (65%) and Black or Black British (45%), so the decision will have positive equalities impacts for these groups (Haringey Family Hub Needs Assessment, 2023).

This decision will allocate an estimated £294,000 to direct cash payments of £150 to pension-age households in receipt of Housing Benefit and/or Council Tax Support who do not receive the Winter Fuel Payment and households in financial stress with a disabled family member. This will have positive equalities impacts for residents with



the protected characteristics of low socioeconomic status and disability, as well as older residents

This decision will allocate an estimated £300,000 to an application-based process for households most in need of extra support in line with eligibility criteria for the scheme. This will have a positive impact on households of low socioeconomic status who are eligible for support.

It is also noted that the support is subject to the availability of government funding and criteria. There are no expected negative equalities consequences arising from this decision.

Use of appendices

Appendix 1: Household Support Fund April 2025

8 Background Papers

<u>Household Support Fund - Guidance for LAs</u> <u>Household Support Fund - Grant Determination</u>

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