

Scrutiny Bulletin: 25 October 2022

Title of Update: Household Support Fund extension and Energy Rebate discretionary scheme

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1. What is the update about?

Urgent decisions were needed to agree the policies for the two schemes. This bulletin is to provide Members with further details of the schemes and rationale for the decisions.

2. Background

- 2.1 The Household Support Fund extension runs for 6 months from April 2022. Funding from DWP is delivered to Devon County Council. Through Team Devon an element of the funding is passed to Devon district councils for delivery as a General Scheme. Exeter City Council has been allocated up to £122,838 to support low income families by the end of September 2022.
- 2.2 The Council Tax Energy Rebate has seen payments of £150 for most households in Council Tax bands A to D. An allocation of £188,700 is available for Exeter City Council to provide additional support before the end of November 2022.

3. Current position

- 3.1 Although badged as an extension to the Household Support Fund, the April to September scheme was accompanied by different instructions from DWP on how it had to be used. A requirement was introduced to spend at least one third of the money on households including a person of pensionable age and a further third on households including a child. This meant that schemes from the original Household Support Fund could not be rolled over. Before Devon County could commit to a General scheme they needed assurance that the one third on pensioner households could be met. Developing the pensioner scheme and getting that assurance from all districts took some time, meaning the General scheme could only be confirmed in June. That did not leave enough time to develop and deliver a complex scheme of support. The framework agreement with Team Devon was for districts to deliver the General scheme support using their own data to identify recipients where possible.
- 3.2 The Energy Rebate Discretionary Fund was announced alongside the main Council Tax Energy Rebate. It recognises that there will be households who do not qualify for the main payment that local authorities will still wish to provide with help for their energy costs. The priority to date has been to deliver the main scheme to those in Council Tax bands A to D. Now that this work is nearing completion, consideration can be given to the Discretionary Fund scheme.

4. Future position

- 4.1 The recipient groups to be targeted by each scheme were developed alongside each other, although recognising different constraints existed for each funding stream. Other cost of living support schemes were also looked at to see which groups were receiving how much support from other schemes. The intention was to provide the additional support to groups that had either not received other support or could reasonably be expected to need additional help. A balance was struck between providing help to as many households as possible and ensuring a meaningful amount of support would be given to each household helped. The data available for this analysis came primarily from the Council Tax billing system and the Council Tax Support benefits system.
- 4.2 For the Household Support Fund General scheme the group identified for a direct award was working age Council Tax Support recipients whose households include a dependent child or young person. This group is likely to have received help from the other DWP cost of living payments. However these are all paid at a flat rate regardless of household composition. A single Universal Credit customer would receive £650 and so would a couple with three children. It is reasonable to conclude that families will face a higher burden from rising costs of food, utilities and household essentials than a single person. The additional payment can go some way to addressing this imbalance for that group.
- 4.3 The scheme agreed for Energy Rebate Discretionary Fund provides for support to:
- Households in council tax bands E (not with a disablement band reduction to band D applied) to H as at 1 April 2022 receiving council tax support,
 - Households in council tax bands E (not with a disablement band reduction to band D applied) to H as at 1 April 2022 getting a 25% council tax discount as a sole occupier
 - With a small proportion of funding being reserved for exceptional hardship cases not fitting the criteria above or the criteria for the mandatory scheme.

5. Are there any other options?

- 5.1 Time, technical and staff resources make it impractical to deliver an open application scheme for these funds.
- 5.2 For both schemes a wider group of recipients could have been identified for a direct award. This would have increased the number of households helped, but reduced the amount of support given to each.
- 5.3 Similarly a narrower group could have been targeted, reducing the numbers of households helped but increasing the support to each.
- 5.4 Failure to deliver a support scheme at all will result in available funding not being used to help low income Exeter residents.

6. Conclusion

- 6.1 Both schemes, and the wider policies that they form part of, have required a significant amount of time to develop and need to be delivered against challenging deadlines. Although other options could have been chosen for each scheme, a balance was needed between what would be done in an ideal situation and what could realistically be delivered in the time available. The priority throughout has been to ensure as much of the available support as possible can be provided to residents in need at this difficult time.
- 6.2 By considering the various other support schemes available, the chosen options aim to be as fair as possible, although recognising that there is not enough funding available to help everyone who is in need.