

## Discretionary Hardship & Support Grant

<b>Summary:</b>	<p>North Norfolk District Council, People Services, will deliver a provision for discretionary financial support to help people deal with emergencies, resettle, or remain living in the community, and to ease exceptional pressures on households.</p> <p>People Services are in the front-line of responding to challenges households face and they are at the heart of our district, interacting with residents' lives on a daily basis. This provides them with an opportunity to identify households in hardship and provide them with support, and to manage the nature of that relationship in a way that supports them through a crisis or resettlement.</p> <p>Unless local support is effective, there is a risk that situations will rapidly escalate which will compound the vulnerabilities of many at risk households and create further pressures on statutory services.</p> <p>People Services are focusing on ways to improve targeting of their support to those in need the greatest, by creating the Discretionary Hardship &amp; Support Grant. These payments could help to prevent higher-cost interventions being required from, for example, housing, health and social care services.</p> <p>The aim is for the scheme to become a tool for support and resettlement to sustain vulnerable people's independence in the community.</p>
<b>Options considered:</b>	<p>There is no statutory requirement to provide hardship support in this format. People Services believes in the present economic climate this new scheme will diversify and complement the support we already provide whilst widening our reach to the community.</p> <p>To not approve the Discretionary Hardship &amp; Support Scheme would miss the opportunity to provide crisis and resettlement support to the most vulnerable households. Doing nothing would undermine the ability of the Council to deliver its strategies to tackle community inequality. Without an equivalent intervention, we anticipate it would also lead to an increase in residents falling into financial crisis, escalating debt, homelessness, and destitution.</p> <p>To have no written scheme in place would mean there is no visible guidance of eligibility criteria and outline of the approach taken by the Council in determining when support under the scheme is applicable. This would not be recommended as it could cause some uncertainty for residents and undue hardship.</p> <p>To not approve delegated authority to the Assistant Director for People Services to make technical scheme amendments would</p>

	cause delay in reflecting any revised changes in eligibility criteria, and would cause uncertainty.
<b>Conclusions:</b>	The proposed scheme allows the council to provide support to vulnerable households who are in a crisis situation or require support to resettle or remain in the community. The criteria and application process of the scheme is designed to be accessible, clear and easy to administer to ensure payments are timely and accurate. This scheme supports our corporate priority to support communities and provide excellent public service.
<b>Recommendations:</b>	To agree the scheme for the Discretionary Hardship & Support Grant as detailed in Appendix 1.  As this is a new scheme, monitoring and evaluating the impact of the scheme will be particularly important. It is therefore requested that amendments to the scheme, where required, should be delegated to the Assistant Director for People Services.
<b>Reasons for Recommendations:</b>	<p>More households are facing extreme crisis situations due to experiencing the highest cost of living increase in 30 years and expecting further rises, and this may now be even higher due to the war in Ukraine. The financial pressures on households have also magnified following the cessation of Covid-19 support, such as the Coronavirus Job Retention Scheme (CJRS), and the Universal Credit uplift.</p> <p>In this precarious environment, the economic realities mean that many residents are more vulnerable than previously to acute financial shocks and are at risk of falling into crisis. It is more important than ever that we find new ways to support our residents.</p> <p>As we respond to these challenges, the Discretionary Hardship &amp; Support Grant will provide support to vulnerable households who are in a crisis situation or require support to resettle or remain in the community.</p> <p>As part of the decision making process we will also be able to connect residents to support which can help them to find financial inclusion through budgeting and debt advice.</p> <p>Any changes in eligibility criteria or the amount of discretionary award should be changed quickly to ensure spending of the funding allocation is managed to maximise support to households in need and that the fund is not overspent.</p>

#### **LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW**

*(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)*

Outturn Report Reserve Statement 2021/22 ([Public Pack](#))[Agenda Document for Cabinet, 06/09/2021 10:00 \(north-norfolk.gov.uk\)](#)

Cabinet Member(s)	Ward(s) affected
Cllr Wendy Fredericks	All wards
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## 1. Introduction

- 1.1. More households are facing extreme crisis situations due to experiencing the highest cost of living increase in 30 years and expecting further rises, and this may now be even higher due to the war in Ukraine. The financial pressures on households have also increased following the cessation of Covid-19 support, such as the Coronavirus Job Retention Scheme (CJRS), and the Universal Credit uplift.
- 1.2. Amidst these pressures, old and new, unexpected financial shocks – as simple as a broken fridge or a sudden emergency – can create unassailable problems for those who are not fortunate enough to have the support they need to tackle them.
- 1.3. We cannot solve the economic crisis ourselves but we can keep striving to support our community. The Discretionary Hardship & Support Grant sets out how People Services for North Norfolk District Council will provide crisis and resettlement support to vulnerable people. This will complement the wide variety of work People Services are already doing to support everyone in our community and provide an additional safety net for our most vulnerable residents.

## 2. Purpose of the scheme

- 2.1. North Norfolk District Council, People Services, will deliver a provision for discretionary support to help people deal with emergencies, resettle, or remain living in the community, and to ease exceptional pressures on households.
- 2.2. The objective of this scheme will be to provide support to meet the immediate needs of residents who are facing crisis or – in the case of vulnerable residents who (for example) have previously been homeless, are victims of Domestic Abuse, or are leaving institutional care – who require practical support to move into or stay in the community.
- 2.3. The Council currently supports residents who are struggling through a range of mechanisms. We currently reach 7,614 residents through Housing Benefit and Council Tax Support, and last year we paid nearly £136k in Discretionary Housing Payments across 197 households, to help people sustain their tenancy. We also supported 342 vulnerable households with the cost of fuel, food and other essentials to keep households warm over the winter through nearly £116k of funding through the Household Support Fund.
- 2.4. The Early Help & Prevention Team also support vulnerable residents with advice, support and access to a number of services. They support households with issues around physical, mental, social or financial wellbeing. Beyond the Council, the team also works closely with the Voluntary and Community Sector and other statutory partners, each of which plays a pivotal role connecting residents to a range of short, medium, and long-term support.

- 2.5. Recognising the sudden challenges that residents can face which risk driving them into crisis, the Discretionary Hardship & Support Grant will complement the support that is already in place by providing targeted financial support which can be awarded when routes to other support have been exhausted. The Council will pro-actively connect residents to the support that can most effectively help them.

### **3. The main principles of the scheme**

- 3.1 The policy as shown at Appendix 1 will support two areas of hardship; Crisis Living Support, and Resettlement Support.

**Crisis Living Support** - This element of the scheme is to assist with an immediate short term need for assistance with items such as food, gas, electricity, baby consumables, white goods, household items, school uniforms, and essential work items. The intention is for this category to meet the specific needs of a household and therefore it is not prescriptive in what it can be applied for. The applicant must be able to demonstrate that the household has an essential need for the item being applied for and that they are unable to access it through any other means. Support is available for vulnerable households who are experiencing a disaster, crisis or exceptional financial pressure and the health of a member of a household may significantly deteriorate as a direct result.

- 3.2. **Resettlement Support** - This element of the scheme is to assist with costs associated with re-establishment or remaining in the community after a period of unsettled or supported accommodation. Support from the scheme may help to:

- assist those who have moved into temporary accommodation maintain contact with their support network;
- assist with travel costs associated with attending job interviews or training;
- improve an applicant's existing living conditions;
- allow people to remain in the community rather than enter an institution;
- allow people to maintain their independence;
- enable people to move to accommodation which is more suitable;
- move people nearer to someone who can offer them support;
- allow the applicant (or family member / carer) to set up home as part of a planned resettlement programme (following an unsettled way of life);
- support people to sustain employment.

- 3.3. We recognise that we cannot predict every challenge that our residents may face. We will therefore consider applications to the scheme for other urgent needs.

- 3.4. Our support will be delivered through non-cash options where possible such as vouchers or goods, but ensuring we maximise our impact, ensure support is timely, and we maintain the dignity of our residents.

### **4. Eligibility**

- 4.1. We aim to support as many residents as we can targeting our limited funds to support those who need our help the most. To be eligible to the scheme, the person or household must be a resident of North Norfolk or have a connection to the area, over the age of 16, in receipt of or in the process of applying for a qualifying benefit, or on a low income.

- 4.2. The applicant also needs to be in one of the following groups:

- Household at risk of homelessness;
- Homeless household;

- Household where a person is fleeing from domestic abuse;
- Household with dependent children;
- Households with a pregnant woman;
- Household where a person has a disability or long-term illness;
- Household where a person is receiving formal care or support in the home;
- Household where a person is receiving support from mental health services;
- Household trying to access or maintain employment, education, or training;

## **5. Delivery of the scheme**

- 5.1. Residents will not be able to apply directly to the scheme, instead eligibility will be considered by an officer from People Services as part of the case work.
- 5.2. Due to the timeframe required to launch this scheme, the technical application process is being worked on by officers, in consultation with the Assistant Director for People Services and the Cabinet Member for Housing & Benefits.
- 5.3. As this is a new scheme, monitoring and evaluating the impact of our work will be particularly important. It is therefore requested that minor amendments to the scheme, where required, should be delegated to the Assistant Director for People Services.
- 5.4. This scheme will supplement other funding available through the Energy Rebate Scheme, Household Support Fund, Norfolk Assistance Scheme, and Discretionary Housing Payments.

## **6. Funding**

- 6.1. Funding has been sourced from an under spend of the Council Tax Hardship Fund. In 2020/21 Central Government provided funds to the council to the value of £723,834 under S31 of the Local Government Act 2003 with the proviso that all monies are paid strictly in accordance with S13A (1) (c) of the Local Government Finance Act 1992 and in line with their guidance issued on 25<sup>th</sup> March 2020. The funds named by Central Government as the 'Council Tax Hardship Fund' were designed to meet the immediate needs of all taxpayers who were claiming Council Tax Reduction (CTR) under S13A (1) (a) of the Local Government Finance Act 1992. The funds were primarily designed to assist working age applicants with payment of their Council Tax during the pandemic.
- 6.2. The Government's strong expectation was that billing authorities provided all working age recipients of local council tax reduction during the financial year 2020-21 with a further reduction in their annual council tax bill of £150, using our discretionary powers to reduce the liability of council tax payers outside of our formal Council Tax Support scheme.
- 6.3. The Council administered the Council Tax Hardship Fund in accordance with S13A (1) (c) of the Local Government Finance Act 1992 and in line with the guidance issued. As at 31<sup>st</sup> March 2021, the council paid out £543,737 of the £723,834 funding.
- 6.4. The Council Tax Hardship Scheme ended on 31<sup>st</sup> March 2021. The under spend of £180,097 was not ringfenced and was included as part of the reserve statement that accompanied the outturn report for 2021/22 and has been transferred to the Grants Reserve (Benefits).
- 6.5. During 2021/22, the Council has been considering its options for using the underspend but found the remaining value of the fund was inadequate to provide the same support (£150 per working age CTS customer) across the full financial year for 2021/22.

- 6.6. The Government has provided the council with further funding in 2021 and 2022 under the Local Council Tax Support Grant which does not prescribe how the money should be used e.g. through providing further direct support payments to working age CTS customers. The Norfolk Finance Officers' Association (NFOA) have agreed a countywide approach to enable Councils to take this money to the General Fund if required to offset Council Tax losses and the rising costs of the Council Tax Scheme as a result of the pandemic and the increasing numbers claiming Council Tax Support.
- 6.7. By using the under spend of £180,097, the Discretionary Hardship & Support Grant has a set budget available for 2022/23 & 2023/24 financial year. Once this budget has been exhausted in each financial year, no more awards can be made for the remainder of that financial year. It is therefore essential that assistance through the scheme is targeted at households in the greatest need and who have no other source of assistance available to them.
- 6.8. The funding across the lifetime of the scheme is shown below.

<b>Period of funding</b>	<b>Amount of funding</b>
1 <sup>st</sup> July 2022 to 31 <sup>st</sup> March 2023	£80,097
1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	£100,000

- 6.9. Any underspend from the first year will be rolled into the second year. If there is an underspend remaining at the end of the second year, an extension to the scheme may be considered.

## **7. Conclusion**

- 7.1. The proposed scheme allows the council to provide support to vulnerable households who are in a crisis situation or require support to resettle or remain in the community. The criteria and application process of the scheme is designed to be accessible, clear and easy to administer to ensure payments are timely and accurate. This scheme supports our corporate priority to support communities and provide excellent public service.

## **8. Implications and Risks**

- 8.1. With any scheme involving financial support, there is a potential from fraud and error occurring.
- 8.2. The council has put in place a robust process to ensure the identity, residence, financial details, and payment information of the applicant is correct. We will be using data across Council Tax, Benefits, and DWP to ensure applicant details are cross-referenced and verified.
- 8.3. Where payments are made directly into a bank account, the bank account will be verified through TransUnion using the Ascendant Solution. This system has already been procured for the Council Tax Energy Rebate payments.
- 8.4. Monitoring of the scheme will take place to ensure accuracy of payments under the criteria and fund usage.

## **9. Financial Implications and Risks**

- 9.1. The budget for this scheme has been included at section 6 of this report and also in the policy at Appendix 1. The budget will be subject to agreement by the Full Council on 22<sup>nd</sup> June 2022.

- 9.2. Resourcing of the scheme will fall within the existing staffing establishment costs of People Services.
- 9.3. Existing software and system capabilities will be used to administer the scheme. There is no anticipation of additional software needed to administer this scheme or subsequent software costs.
- 9.4. Where non-cash payment options are used such as Post Office Pay Out vouchers these can be created via Ascendant Solution at a cost of £1.50 per transaction.

## **10. Sustainability**

Nothing to report.

## **11. Equality and Diversity**

- 11.1. 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 protected characteristics and people who do not.
  - Foster good relations between people who share those characteristics and people who do not.
- 11.2. The proposed decision is to approve the Discretionary Hardship & Support Grant will affect residents in North Norfolk with a low income across the district, among whom many with protected characteristics – including race and disability – are overrepresented.
- 11.3. The objective of the proposed decision is to provide an additional safety net for residents who are facing temporary financial crisis and to prevent residents from falling into financial crisis. This will lead to reduced debt for the groups as described above and will support the implementation of the new policy.
- 11.4. The Council will take steps to collect demographic data on service users in order to identify any inequalities in service provision that may arise and to inform future equalities analysis.
- 11.5. A full Equalities Impact Assessment (EQIA) will be produced as the scheme is developed.

## **12. Section 17 Crime and Disorder considerations**

None to report.

**Appendix 1 – Discretionary Hardship & Support Grant**



