

Manchester City Council Report for Resolution

Report to: Executive – 17 November 2021

Subject: Household Support Fund

Report of: Deputy Chief Executive and City Treasurer

Summary

This report provides details of the Council's response to the government's recent announcement of the Household Support Fund.

At the point of writing this report, the final guidance has not yet been received from the Department for Work and Pensions (DWP).

The Council's share of the national pot of £500m is £6.453m. This does not provide enough to meet the expected demand over the winter period in the city and as such officers have had to prioritise awards.

At least 50% of the total funding must be spent on families with children. In terms of type of support, the expectation is that the Household Support Fund should primarily be used to support households in the most need with food, energy and water bills. It can also be used to support households with essential costs related to those items and with wider essential costs.

The proposals contained in this report are intended to ensure that the maximum amount of funds is provided to the poorest Manchester residents during the winter period, cognisant of the requirement that 50% of the amount awarded must be paid to families with children.

Consideration has also been given to limiting administration and associated costs.

Recommendations

That the Executive agree the following recommendations:

1. The government funding for the Household Support Fund of £6.453m is mainly used for direct awards to support residents during the winter months. Although the Council will quantify the admin costs, it will not deduct all of these from the grant award.
2. The Council administers the Household Support Fund scheme in four key parts to support Manchester residents, this includes the provision of:
 - (i) Support to families to provide free school meals during the holidays

- Free school meals for the remainder of the school holidays in this financial year.
 - £15 per pupil per week. Money will be distributed to households on a pupil basis via schools.
- (ii) A universal offer to recipients of Council Tax Support and other key groups
- A universal offer that includes a payment to all households in the city in receipt of CTS (being used as broad universal indicator of need and responsibility for housing costs and that avoids a new claim process). Also includes other key groups, including care leavers responsible for the Council Tax bill in their property and residents who are exempt from council tax due to being severely mentally impaired.
 - This universal offer provides a one-off cash grant of £100 to households with dependent children and £70 to households without children.
- (iii) A discretionary Household Support scheme

Provide a discretionary scheme using £300k of the grant funding.

Households with responsibility for household bills and who are in receipt of means tested benefits. This could include

- Those that may not have qualified or be in receipt of Council Tax Support.
- Residents living in shared or other accommodation where they do not have a liability for Council Tax but have responsibility for household bills, for example utility bills.

- (iv) Third sector support offer

The Council will set aside a further £300k to work with advice agencies and the third sector in the city. This will include further work with the Manchester Food partnership.

This element of the scheme will be developed under delegation in the weeks ahead and will include liaison with key partners.

3. Note that the final published version of the government guidance to local authorities has not been received. On this basis, agree that continuing development and delivery of the scheme is delegated to the Deputy Chief Executive and City Treasurer in conjunction with the Deputy Leader. This will include the budget management as well as scheme eligibility and delivery. If significant changes to the scheme are required, it will be brought back to December Executive.

Wards Affected – All wards

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city

No impact

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Ensuring that this money is administered promptly to those most in need means that homes can be sustained, and support is available to vulnerable residents.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	See above
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	See above
A liveable and low carbon city: a destination of choice to live, visit, work	See above
A connected city: world class infrastructure and connectivity to drive growth	See above

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The Council's share of the £500m national funding is £6.453m and this must be spent before 31 March 2022. The Council will provide grant support to residents and are required to submit two retrospective claims to drawdown funding to cover all City Council expenditure incurred on the scheme.

There is no new burdens funding associated with the administration of the scheme. The Council will use the majority of the funding to make payments to residents and will pick up the majority of the administration costs from Council resources, mainly within the Revenues and Benefits Unit. (N.B. Third Sector organisations may need to use a small amount of the funding to administer the proposed £300k Third Sector element of the scheme- this will be taken from the scheme budget and published).

Financial Consequences – Capital

No capital consequences

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to four years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

Household Support Fund government press release
<https://www.gov.uk/government/news/government-launches-500m-support-for-vulnerable-households-over-winter>

1.0 Introduction

This document sets out the Council's approach to delivering the Household Support Fund. The aim of the fund is to support households in the city during the winter period with household and other essential expenses.

Executive will recall from previous reports and the Marmot review that Covid has impacted differently on residents and communities in the city. Manchester residents over the age of 50, from BAME communities and /or from low-income neighbourhoods have been more adversely affected by the health and economic impact of Covid. Most recently our poorest residents and those in insecure employment have seen furlough end and the removal of the temporary £20 per week Universal Credit uplift.

Manchester City Council will receive £6.453m from the Household Support Fund for a six-month period from October 2021 to end of March 2022. Whilst the Household Support Fund is not necessarily targeted exclusively to UC claimants, it should be noted that this is a fraction of the amount lost with the removal of the temporary £20 uplift in UC that is estimated to be circa £30m for the six-month period. The scheme outlined by the government is very broad in scope without core data being held by the Council.

Management of the scheme could be resource intensive and there is no new burdens funding identified for this activity.

The report considers the information that the Council has available to inform the approach and proposes how the scheme should be administered to ensure that best use is made of this funding to support Manchester residents in the months ahead.

2.0 Background

2.1 Government Announcement

On 30 September 2021, the government announced in the media that a new Household Support Fund (HSF) grant would be made available to County Councils and Unitary Authorities in England to support those most in need this winter.

This new grant runs from 6 October 2021 to 31 March 2022 and totals £500m. Funding allocations are administered in accordance with the Barnett formula so devolved administrations will receive up to £79m of the £500m (£41m for the Scottish government, £25m for the Welsh government and £14m for the NI Executive).

The government has stated that it will be for the devolved administrations to decide how to allocate this additional funding. Each authority has an agreed allocation and authorities are required to reclaim actual costs incurred in arrears subject to completing grant management information and returns.

The Council has been advised that we will receive funding of £6.453m.

At least 50% of the total funding must be spent on families with children. In terms of

type of support, the expectation is that the Household Support Fund should primarily be used to support households in the most need with food, energy and water bills. It can also be used to support households with essential costs related to those items and with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet this need.

There was further information for local authorities in the draft guidance and grant determination that was received on 8th October 2021. The Council has still not received the final guidance.

This is a new scheme and authorities are not allowed to carry forward any underspends from previous DWP grants.

Councils are encouraged to identify a broad range of vulnerable households across their local area. Support is available from October 2021 and authorities should aim to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period.

2.1 Scope

The DWP has been leading this scheme on behalf of the government and has issued draft guidance to local authorities about spend.

The key thing to note is that DWP has stated that it is up to individual local authorities to determine the scheme in their area, subject to the wider guidance, cognisant of local knowledge and demands.

The DWP has also stated that the scope of this scheme is not specifically aimed at those working age residents that have recently lost the £20 uplift in UC and is not intended to bridge the gap. They state that the aim is much wider and as well as the UC claimants, it can also be used to support families with free school meals during the holidays as well as the wider benefits cohort, including those who have reached pension age for benefit purposes, as well as residents that are not in receipt of any benefits but may be struggling with household expenses.

The Council will not be receiving a separate pot of funding to support free school meals during the holidays.

3.0 Challenges for the Council in administering this scheme

3.1 Budget versus demand

The budget of £6.453m is a fraction of the estimated £30 million that has been removed from UC claimants as a result of the withdrawal of the £20 UC uplift. The removal of the uplift affected an estimated 59,000 residents of the 78,000 residents/households in receipt of UC in the city, many of whom will have household costs to manage.

In addition to this, if the Council wishes to support ongoing free school meal provision

during the school holidays that are within this six-month scheme period, then this will require circa £1.7m from the £6.453m allocation before any wider awards or consideration.

There are then additional cohorts that are now within scope for the Council to consider, and the DWP's website refers people that are struggling with household bills during the winter to their local authority, referencing the funding and the development of local schemes.

The Council's existing Welfare Provision Scheme already provides emergency and other support with an annual budget of £0.6m. This full annual allocation for the 2021/22 financial year has already been allocated and up to an additional £0.5m is earmarked to be drawn down from the specific reserve.

The concern is that with rising fuel and living costs, the end of furlough, the UC changes and the potential loss and churn of some seasonal work, that this will mean high demand and the funds allocated by the government for this scheme will not be enough to meet demand. There is also pressure to get money out quickly to those that need it in the simplest way so as to maximise spend on provision rather than funding expensive administration.

The Council is therefore going to have to consider how to prioritise the allocation of support within the constraints of the approved budget. The document explores how this can be done.

3.2 Administration and New Burdens

The scheme does not provide any new burdens funding for local authorities for the administration of this scheme. The guidance does say that authorities can fund administration and other costs from the scheme, but they should be kept to a minimum and will be published.

It is proposed that the funding of £6.453m is mainly used for direct awards and although the Council will quantify the admin costs, it will not deduct all of these from the grant award. However, third sector organisations may need to use a small amount of the funding to administer their element of the scheme

3.3 Data that is held

The major challenge for local authorities in administering this scheme is that as part of the welfare reform agenda and the introduction of Universal Credit, they do not hold enough Universal Credit claim payment details to develop a scheme without a significant amount of additional work. The only data held is for the legacy working age HB caseload, the pension-age HB caseload and the CTS caseload. Many of these residents have their rent paid to their landlord and have had reduced amounts of council tax to pay and as a result, in the main we have limited financial data, including bank details.

For the wider non-benefit caseload where the only information held is based on the council tax register, all that is generally held in terms of their financial circumstances

is the charge payer name(s), details to support any discounts or exemptions and their bank details if they pay by direct debit.

This means that any application process will be complex, expensive and time consuming and means that some people who may be in the most need may not claim. Adding discretion and follow up would require a massive expansion to the Council's wider WPS scheme and would result in delays, complaints and backlogs based on a significant immediate increase in demand.

3.4 Prioritisation

Because the DWP guidance has advised that the scheme is primarily aimed at those with essential living costs and cost of living pressures, the proposal is that, in the first instance, low-income households that have responsibility for household related costs are prioritised after the provision of free school meals during the school holidays. It is proposed that free school meal support is provided for both the Christmas holidays and February half term and the total costs of this support will be up to c£1.7m. The scheme is then further prioritised based on local knowledge and expertise.

4.0 Existing support with food and fuel outside of the Council

This section provides details of the support that is currently available to residents with housing related costs and living expenses and supports the new scheme development.

4.1 Fuel

4.1.1 Pensioners

Winter Fuel Payments

Annual one-off payment (between £100 and £300) to people who are pension age in the qualifying week of 20-26 Sept 2021 and lived in the UK for one day during that same week. It is an automatic payment and is not dependent on temperature. The amount awarded depends on age and living circumstances. (There are other qualifying criteria).

Cold Weather Payment

This scheme starts on 1 November 2021 and is weather dependant. Payment is made where the average temperature in the area has been, or is expected to be, 0° Celsius or below for seven consecutive days. The recipient must be on Pension Credit and the award of £25 per day for seven days is automatic.

Warm Home Discount Scheme

Not all suppliers are signed up to this scheme so individuals would have to check with their supplier. The resident might be eligible to get up to £140 off their electricity bill if they are getting the guaranteed credit part of Pension Credit.

There is lots of other information to assist people of pensionable age. Some of it depends on living circumstances, for example lives alone etc., It is also rare that people would have their utility disconnected. The provider must follow set rules on

how to treat residents if they have fallen behind on their energy bills.

4.1.2 Support for Adults (non-pensionable age)

Cold Weather Payment

This scheme starts on the 1 November 2021 and is weather dependant. Payment is made where the average temperature in the area has been, or is expected to be, 0°Celsius or below for seven consecutive days. The recipient must be on Income Support, income-based Jobseeker's Allowance, UC.

Warm Home Discount Scheme

Not all suppliers are signed up to this scheme so individuals would have to check with their supplier. The resident might be eligible to get up to £140 off their electricity bill if they are on a low income.

Grants to pay off debts

Several of the large providers offer support (grants) to people to pay off their fuel debt and they do not have to be a customer of that provider. Most of these charitable trusts like to see evidence that the applicant has sought debt advice and are managing their debts.

4.2 Food

4.2.1 Healthy Start vouchers

Healthy Start vouchers are available to anyone in receipt of Child Tax Credits, and eligibility starts from when the claimant is 10 weeks pregnant until their child reaches their fourth birthday. The vouchers can be used in shops to buy groceries and infant formula. It is also possible to redeem Healthy Start vouchers at The Bread & Butter Thing food pantries, making the value of each voucher go much further.

Around 8,847 Manchester residents have been identified as entitled to Healthy Start Vouchers. The most recent data (July 2021) finds that 5,799 (66%) of those entitled are in receipt of Healthy Start vouchers. This puts Manchester among the highest performing local authorities in the country in respect of Healthy Start voucher take up.

It is worth noting that Manchester also has a Public Health funded universal Vitamin D pilot enabling all mothers (including those in employment and therefore, not entitled to Healthy Start Vouchers) free access to vitamin D which is essential to the health of mothers and babies. Nationally, there are concerns that the paper application system is a barrier to uptake and in April 2022 the service will switch to digital applications.

4.2.2 Holiday Activity Fund

The Holiday Activity Fund (HAF) programme was developed in response to the pandemic which has had a significant impact on our children, young people and families, particularly in areas of educational achievement, wellbeing, social & emotional development and resilience and financial hardship. The HAF programme is designed to provide food, enriching activities and fun during the Easter, Summer and

Christmas holiday periods. It aims to address the issues for children and young people which go much deeper than food poverty. We know that school holidays can be a challenging time for some families due to increased costs, such as food and childcare and reduced incomes. For some children this could result in gaps in accessing organised out-of-school activities, which may result in 'unhealthy holidays' in terms of nutrition and physical health and social isolation.

The Department for Education have recognised that access to enriching activities is a crucial element in the development of children and young people and they provided £3.8m to the Council to further this objective during the 2021 Easter, Summer and Christmas holiday periods. The evaluation for the Summer holiday period has recently been completed and has highlighted the following outputs:

- 2,558 sessions delivered
- 11,500 children engaged
- 64,245 visits made to sessions
- 86 delivery partners engaged across all 32 wards

The funding for the summer period was allocated as follows:

- Activation of school sites for sports, leisure, arts, culture, drama & wellbeing - £506k
- Activation of community sport and leisure activities – £766k
- Commissioning of the youth, play, arts & culture sector - £793k
- Staffing costs – £19k

The remaining funding of c£1m is available for delivery over the Christmas period and a comprehensive offer is currently being worked up. Discussions are ongoing with Government to determine if the HAF programme will continue beyond the 2021/22 financial year.

4.2.3 - Food Support during the pandemic

The pandemic has highlighted the pre-existing high levels of food poverty and food insecurity in the city. In total the Council's Food Response Team has provided 115,447 food parcels for residents through the pandemic.

Throughout, there was a consistent pattern of circa 70% of the demand for food coming from single or all adult households (8,334 households) and 30% from households with children. Demand largely corresponded with previously identified areas of deprivation – demand was greatest in the North of the City (in particular, Harpurhey, and Clayton and Openshaw) and Wythenshawe wards, while in areas such as Chorlton and Didsbury demand was low. Over time, the food offer has evolved, as the team is left with a smaller number of complex households that are dependent on food support but with a much wider range of needs. Families with children are referred to and supported by the City's Early Help Hubs.

The Our Manchester Food Partnership was established in response to this increase in demand, to allow us to utilise the local food support offer in the city, linked to wider support provision. This now includes over 60 community-based providers, varying in size from national charities such as the Trussell Trust, regional providers like The

Bread and Butter Thing, to small, volunteer led providers such as Emmeline's Pantry, but linked to the wider support landscape (so it also includes, for example, housing providers, Early Help, and Citizens Advice Manchester). The Partnership has the reach and is well placed to provide additional support to residents in the city who experience food insecurity.

5.0 Other areas of support provided by the Council

5.1 Welfare Provision Scheme- fuel support

As well as a wider scheme that provides furniture, white goods and other grants, the Council already provides support for households in crisis including fuel and living costs.

An application must be submitted and is payable if a member of the household is medically vulnerable or of pensionable age. One award of up to £49 in a rolling twelve-month period.

5.2 Council Tax Grant of £150

Householders that are classed as a pensioner for benefit purposes can receive means tested Council Tax Support up to the full value of the council tax that is due. However, Council Tax Support for working age residents is paid up to a maximum of 82.5% of the Council Tax that is due, meaning that all working age residents must pay at least 17.5% of the council tax that is due.

For the 2021/22 financial year the Council has provided a grant of £150 towards the council tax of those working age residents in receipt of Council Tax Support (CTS). This means that those residents in receipt of CTS in the lowest two council tax bands have a very small amount of council tax to pay this year.

5.3 Discretionary Housing Payments

The Council already provides help with rent and housing costs for those residents that qualify for Discretionary Housing Payments. In addition to the £1,969,832 provided by the government, the Council has already provided a further £1m to bolster the budget for the 2021/22 financial year.

6.0 The Council's approach to scheme development

6.1 Working Group and Objectives

A working group of officers from across the Council has been established to consider the Household Support Fund scheme development.

This includes the following aims and areas of consideration;

- Wider awareness of the city and the anti-poverty agenda;
- Learning from the covid related support in the city;
- Awareness of the benefits regime and the impact of the cuts on household

types;

- Other support for winter and fuel that is available to residents;
- Feedback from earlier schemes, including third sector organisations;
- Making the scheme as simple and as fair as we can, if possible, removing claims and complex data collection and means testing;
- Keeping admin costs as low as possible;
- Ensuring that we capture as many in need residents as we can, including hard to reach groups, those with protected characteristics and other priority areas;
- Where we can, and it makes economic sense, to work to provide money/cash to residents so that they can make their own budgeting and financial management choices.
- The Our Manchester principles.

7.0 Data held by the Council

The working group has considered several overlapping and connected data sets to consider the next steps.

7.1 Free school meals

Due to the implementation of UC and the move away from housing benefit payments by the Council for working age households, the Council does not have a complete list of those households that would be in receipt of free school meals.

To maximise entitlement to free school meals and the associated pupil premium, schools in Manchester have a system that means they can check entitlement locally. This has been very successful. This means that we have been able to capture entitled children at school level but not the number of households. The scheme has also included pupils in school nursery classes and 6th forms which is wider than FSM. Early Years settings are aware of the children who access the funded 2-year-old offer of day care offer and eligible 3-year olds.

Schools and other educational settings have been essential and have worked in partnership with the Council on previous grant schemes. We are satisfied that this approach is the best way to capture most children and young people in the city.

When determining the number of children and young people entitled and paid during earlier grant schemes the Council has also included “No recourse to public funds” households and estimated that there may be children that become newly eligible for free school meals in October to March 2022.

Based on this assumption a 5% tolerance has been calculated indicating that support for free school meals during the holiday period will mean that schools are provided with funds of up to £1.7m to provide meals for 37,200 children.

For children attending schools in other Greater Manchester areas, there is a reciprocal agreement in place.

7.2 Universal Credit

The July 2021 data from the DWP shared with the Council shows that there were 78,132 UC claimants in Manchester (down from 78,508 in June). 29,267 of the UC claimants in July were in employment (just over a third – 37%).

It is worth noting that the Council does not have a list of all these people, and some will not have any housing costs and will be living with families, for example adult children living with parents.

The Council does not hold data about this group of people and the only way to provide a grant to this cohort would be through an application process.

7.3 Council Tax Support

There are 241,190 households registered for council tax in the city. Many of the households in receipt of UC claim CTS from the Council. We have slightly more intelligence on this group of residents, including householder name, benefit and address details. We also know that in contrast to the households covered by the broad UC data above, they all have direct housing costs as they have a property that they are responsible for.

7.3.1 CTS caseload at 1 October 2021

	Property Band							
Category	A	B	C	D	E	F	G	Total
Elderly (PB)	8419	1260	702	200	48	16		10,645
Elderly (STD)	4031	541	312	79	26	4		4993
Working Age (PB)	12799	1270	431	102	21	4		14627
Working Age (STD)	2358	438	275	55	19	1	1	3147
Working Age (UC)	14985	1947	899	236	81	17	4	18169
Grand Total	42592	5456	2619	672	195	42	5	51581
<i>Working Age (all)</i>	<i>30142</i>	<i>3655</i>	<i>1605</i>	<i>393</i>	<i>121</i>	<i>22</i>	<i>5</i>	<i>35943</i>
<i>Elderly (all)</i>	<i>12450</i>	<i>1801</i>	<i>1014</i>	<i>279</i>	<i>74</i>	<i>20</i>	<i>0</i>	<i>15638</i>

PB = passport benefit, UC = Universal Credit, STD = other

The data above provides a snapshot of the CTS caseload. When developing the scheme, the Council must consider the response to those new recipients of CTS in the months ahead. Current data suggests that circa 600 new awards of CTS for working age residents are put into payment each month. There will also be a number of new claims from pension age households each month.

7.4 Other groups that are responsible for a property but do not receive CTS as they receive a council tax discount or exemption.

There are a couple of other groups that the Council has data on that are responsible for a property but do not receive CTS, as they receive a council tax discount or exemption.

7.4.1 Care leavers up to the age of 25

Care leavers receive a discretionary award that means that they do not pay council tax for a property that they are responsible for until their 25th birthday. Some of these young people will not be in receipt of benefits and it is appropriate to include this vulnerable group of residents within any new support package where they are the person responsible for the council tax bill in their home.

Care leavers in receipt of discretionary council tax reduction for 2021/22 bill.

Care Leavers	No. cases	Amount (£)
Care Leaver - Manchester	203	113,418
Care Leaver - GMCA	43	26,856
Care Leaver - England & Wales	25	17,833
Total	271	158,107

A small number of Care Leavers live in other households, for example living with relatives, and they will not receive support through this section of the scheme.

7.4.2 Severely Mentally Impaired households

Residents that are determined to be severely mentally impaired (SMI) are either granted a full exemption from council tax if the property is solely occupied by a SMI resident(s) or disregarded (if they live with other people in the household). This is granted before any CTS award. It is therefore appropriate to include this vulnerable group of residents within any new support package. The table below gives a breakdown by Council Tax band of the number of properties that are exempt from Council Tax as they are only occupied by residents who are SMI and those where there is a 25% discount as one or more residents in the property are SMI and disregarded.

	Council Tax Property Band								Total
	A	B	C	D	E	F	G	H	
Occupied by SMI residents only	1,970	176	88	27	15	3	4	0	2,283
SMI residents disregarded	490	134	141	69	40	21	8	3	918

7.5 Shared houses and houses in multiple occupation

There will be another group of residents that are in receipt of benefits and have housing costs that are not easy to identify from the Council's records. This includes residents living in shared housing (where the council tax and usually other bills are split by the residents) and residents living in houses in multiple occupation (this is where the landlord is responsible for the council tax and there are then various local models for other bills).

The Council will need to consider how support may be provided to this group.

7.6 Wider cohort of residents not in receipt of CTS

There are 241,190 properties that are liable for council tax in the city. When we remove empty properties, those wholly occupied by students and the CTS caseload we have 166,368 properties remaining. The way the DWP and the government have issued media and website information means that there is going to be demand from this wider group.

The low-income threshold levels to qualify for benefits and rising fuel costs as well as the cumulative impact of the pandemic on households means that demand for any support is expected to be high and the discretionary scheme will need to consider requests from this cohort. Due to the exceptional nature of the scheme, it is proposed that entitlement to other welfare benefits is used as a primary factor to determine eligibility for support under the discretionary scheme. For example, working claimants in receipt of UC but whose earnings mean they do not qualify for CTS.

8.0 Proposals for how a scheme could operate

After considering the scheme purpose, the current draft guidance from the DWP and all the data sets that the Council has access to, the proposal is that the Council's response to the Household Support Fund should have four tiers of support with a set budget allocated to each tier.

1. Free school meals for the remainder of the school holidays in this financial year.
2. A Universal Offer that includes a payment to all households in the city in receipt of CTS (being used as broad universal indicator of need and responsibility for housing costs and that avoids a new claim process) also includes care leavers who are responsible for the Council Tax bill at their property, and severely mentally impaired residents that are exempt from council tax.
3. A new discretionary scheme for other cohorts. The other cohorts would be households in receipt of means tested benefits but are not in receipt of Council Tax Support. This would include residents living in shared houses and those residents in receipt of Universal Credit but who do not qualify for Council Tax Support.
4. Development of a further scheme working with the advice network and third sector partners.

8.1 Free school meals during the school holidays

The Council has already provided funding for both the summer holidays and October 2021 half term holidays,

This is based on the existing cohort that includes all those children and young people who are entitled to free school meals attending schools and early year settings (including those with no recourse to public funds).

To extend this scheme with an allocation of £15 per child or young person for the remaining three weeks (two at Christmas and one week at February 2022 half term) will cost up to £1.7 million.

For the government return this will be determined to be 100% food provision and will be provision to families with children.

8.2 Universal Offer to recipients of Council Tax Support

8.2.1 Scope

The Universal offer will be a payment that is available to all recipients of CTS as at a snapshot taken around mid-November 2021. It will also be made to residents who are exempt from council tax due to severe mental impairment and care leavers responsible for the council tax bill at their property who are under 25.

The Council will also need to consider new recipients of CTS as a result of a change of circumstances or moving into accommodation and it is proposed that further snapshots are taken to capture new households.

This takes the number of universal payments being considered to an estimated 56,000 households, of which 16,000+ are older people (pension age for benefit purposes) and 39,000+ are classed as working age for benefit purposes.

Officers have considered the types and value of awards based on the following:

- the limited level of funds available;
- the requirement that at least 50% of the funding should be provided to households with children;
- the impact of the loss of the £20 UC uplift on households;
- wider benefit levels, with single adults and couples receiving extremely low levels of benefits;
- other support that is available;
- intelligence of need to date based on calls to the Council's Covid hotline; and
- claims made to the existing Welfare Provision Scheme.

Officers have also noted that residents who have reached state-pension age will also receive the Winter Fuel Payment of between £100 and £300 that is not paid to working age residents.

8.2.2 Award Amounts

It is therefore proposed that the scheme provides a one-off cash grant of the following:

Household details	Grant Amount Paid
CTS Working Age with dependent children	£100
CTS Working Age with no children	£70
CTS Pension Age with dependent children -	£100
CTS Pension Age No children	£70
Residents registered as severely mentally impaired or a care leaver with household costs	£70

It is proposed that these payments are made to all recipients in the first two weeks of December 2021. A further two payments will be made for new CTS claimants, one based on a caseload snapshot in January 2022 and one based on a caseload snapshot in February 2022. This will capture new claimants of CTS, including those that may have been released from low paid, temporary seasonal work. This universal scheme is estimated to cost £4.3m.

For the government return this will be split as 70% fuel and 30% food, although residents will be able to use the cash for what they determine is important within their household budget.

8.3 Remaining Budget

Providing the two core schemes above at the proposed rates would leave approximately £600k of remaining funding to provide other support. It is proposed that this remaining budget is split to offer two further discretionary elements. The aim being to support those households that are outside of the scope of the main schemes or are identified to require further support.

8.4 Household Support Discretionary Schemes

8.4.1 Funding

It is proposed that £300k of the remaining £600k is set aside to fund a discretionary scheme managed by the Council.

8.4.2 Entitlement

This scheme would support the following households:

Households with responsibility for household bills and who are in receipt of means tested benefits. This could include

- Those that may not have qualified or be in receipt of Council Tax Support
- Residents living in shared or other accommodation where they do not have a liability for Council Tax but have responsibility for household bills, for example utility bills.

This would run alongside the Council's existing Welfare Provision Scheme.

It is proposed that each case is considered on its own merits and grants of up to £100 could be made based on presenting need and where appropriate, matching the awards made within the universal scheme.

For the government return this will be split as 70% fuel and 30% food, although residents will be able to use the cash for what they determine is important within their household budget.

Applications would need to be made using an online application form and would be considered by the experienced officers on the Council's Welfare Provision Scheme.

Where necessary this will include signposting to wider support. Payments will be made by bank transfer.

8.4.3 Restrictions and Exclusions

Due to the limited funding that is available within the discretionary element of the scheme, a further payment to those residents that received a payment as part of the universal offer (8.2 above) would only be considered in exceptional circumstances (usually where the application is supported by a health or other support professional).

The scheme will exclude full time students and students will be referred to the hardship schemes administered by the universities and educational establishments in the city.

The scheme will normally exclude households that are not in receipt of benefits.

8.5 Third sector support offer

The Council will set aside a further £300k to work with advice agencies and the third sector in the city. This will include further work with the Manchester Food partnership.

This element of the scheme will be developed under delegation in the weeks ahead and will include liaison with key partners.

9.0 Consideration of payment types

9.1 Existing schemes

Payment systems and methods made via schools for free school meals and within the Welfare Provision Scheme are already set up.

The free school meal scheme uses a combination of vouchers delivered via schools.

Our existing WPS works on a combination of delivery of kitchen goods and beds and bedding alongside cash encashment using the PayPoint product via local outlets or payments direct into bank account.

It is proposed that these payment methods continue.

9.2 The universal offer payment options

The simplest, cheapest and most effective way to make payments is to pay any money by bank transfer direct into residents' bank accounts. However, the Council does not have this data for most of the residents in scope for these payments and even if we do hold the bank details, they were provided solely for the purposes of paying council tax by direct debit.

This means that in order to process payments as a universal offer we would need to write out for and collate tens of thousands of residents' bank details and be assured that they did indeed belong to our intended resident.

The working group spent time considering various options and concluded that the aims of the universal offer are to:

- For the main scheme, avoid requirements for further discretion / validation checks and ensure that, once we have an agreed scope, as many residents as possible that meet the criteria receive the award;
- Avoid having a major online claim form exercise to gather bank account details that causes significant work and potential delays;
- Provide residents with money/cash so they can make decisions on their household priorities and budgets;
- Respond to those residents that may not have access to their bank account and to ensure that residents have access to local financial services; and
- Ensure that any awards are time limited so that any unspent funds can be reallocated.

After significant deliberation, the proposal for payment is that the universal offer is made by cheque to the person whose name is first on the Council Tax Support claim or council tax account. The general principle for the universal scheme is that there will be one payment per household in the city.

Where there is a shared house the remaining residents can submit a claim, but this would be as part of the wider discretionary scheme. There is no guarantee that the Council will make several awards and each case will be considered on its own merits based on the circumstances and financial details of the claimant. Typically, the principle of one payment per household will be maintained.

Paying a cheque into a bank account can be done in a couple of ways. Using an ATM machine, paying into a bank direct or by paying in using the local Post Office network as they accept cheque submission for most banks.

We are also proposing to apply a limited timescale for presenting any cheque so that any money uncashed can be redirected to ensure that the HSF is administered to the maximum effect for Manchester residents. In order to operate this effectively it may be necessary to apply a window of between four to eight weeks for cheques to be cashed. Cheques would then be cancelled by the Council to allow money to be recycled into the system.

Although issuing cheques is not ideal and will bring its own challenges, our options to get money out quickly to vulnerable residents efficiently are limited. The Council has neither the data nor the information to deliver anything more sophisticated within the constraints of the scheme.

Paying this way means that we will be able to pay all 50,000+ residents within a tight timescale and avoids application processes that can be challenging to administer and apply for. It also means that all qualifying residents receive the award rather than having to apply. This is expected to be beneficial for hard to reach groups and those that would not submit a claim for further means tested support.

The proposals for the universal offer will be reviewed against the final Government

guidance when it arrives to ensure that as well as being in the spirit of the scheme and targeting those most in need it meets any additional grant funding criteria.

10.0 Contributing to a Zero-Carbon City

- 10.1 Consideration has been given so that residents are able to access financial support and services in their local area avoiding unnecessary travel and costs.

11.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 11.1 Ensuring that this money is administered promptly to those most in need means that homes can be sustained, and support is available to vulnerable residents.

(b) A highly skilled city

- 11.2 Not applicable

(c) A progressive and equitable city

- 11.3 The aim of this support is to support the most vulnerable residents including those with children.

(d) A liveable and low carbon city

- 11.4 Not applicable

(e) A connected city

- 11.5 Not applicable

12. Key Policies and Considerations

(a) Equal Opportunities

- 12.1 The proposals and recommendations contained in this document that have been developed at pace. Separate work is already in train and the approach will be subject to an equality impact assessment.

Providing a universal offer based on existing records means that the scheme will have improved access for hard to reach groups and those that either could not, or would not, claim under a new application process.

Sending cheques to qualifying residents will not exclude anyone who is not digitally proficient.

(b) Risk Management

12.2 The main risks are:

- The lack of final guidance at this stage, even though the scheme was announced several weeks ago.
- Late changes to the proposed scheme.
- The immediate impact on resources and managing demand up to when the scheme is launched.
- The management of the funds and the requirement to spend the funds by March 2022.
- The level of demand outstripping the budget within the remaining discretionary elements. The budgets will have to be carefully managed.
- The complexities of dealing with payments to more than 50,000 households within a very tight timescale.

(c) Legal Considerations

12.3 There are no particular legal issues that arise from the decisions in the report.

13. Conclusions

The amount of money provided by the government for the Household Support Fund will not meet the expected level of need within the city over the coming months.

The scheme that has been developed aims to support the majority of low-income residents in the city and is fair and transparent. It also reduces the admin costs associated with a new application process. Having a separate discretionary scheme means that we will be able to capture some of those residents that are not included in the main scheme but are in need and meet the general principles of the proposed scheme presented in this report.

14. Recommendations

That the Executive agree the following recommendations

1. The government funding for the Household Support Fund of £6.453m is mainly used for direct awards to support residents during the winter months. Although the Council will quantify the admin costs, it will not deduct all of these from the grant award.
2. The Council administers the Household Support Fund scheme in four key parts to support Manchester residents, this includes the provision of:
 - (i) Support to families to provide free school meals during the holidays
 - Free school meals for the remainder of the school holidays in this financial year.
 - £15 per pupil per week. Money will be distributed to households on a pupil basis via schools.

(ii) A universal offer to recipients of Council Tax Support and other keygroups

- A universal offer that includes a payment to all households in the city in receipt of CTS (being used as broad universal indicator of need and responsibility for housing costs and that avoids a new claim process). Also includes other key groups, including care leavers responsible for the Council Tax bill in their property and residents who are exempt from council tax due to being severely mentally impaired.
- This universal offer provides a one-off cash grant of £100 to households with dependent children and £70 to households without children.

(iii) A discretionary household support scheme

Provide a discretionary scheme using £300k of the grant funding.

Households with responsibility for household bills and who are in receipt of means tested benefits. This could include

- Those that may not have qualified or be in receipt of Council Tax Support.
- Residents living in shared or other accommodation where they do not have a liability for Council Tax but have responsibility for household bills, for example utility bills.

(iv) Third sector support offer

The Council will set aside a further £300k to work with advice agencies and the third sector in the city. This will include further work with the Manchester Food partnership.

This element of the scheme will be developed under delegation in the weeks ahead and will include liaison with key partners.

- (3) Note that the final published version of the government guidance to local authorities has not been received. On this basis, agree that continuing development and delivery of the scheme is delegated to the Deputy Chief Executive and City Treasurer in conjunction with the Deputy Leader. This will include the budget management as well as scheme eligibility and delivery. If significant changes to the scheme are required, it will be brought back to December Executive.