

Committee Name and Date of Committee Meeting

Cabinet – 28 March 2022

Report Title

Covid Recovery Fund

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

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Ward(s) Affected

Borough-Wide

Report Summary

The Councils Financial Outturn Report 2020/21 to Cabinet on 19 July 2021 earmarked £2m for a Covid Recovery Fund from the £6.1m underspend position, delegating to Cabinet the authority to approve its use. The fund was created to take proactive steps in order to support local residents as they emerge from the pandemic. The funding is being brought forward to support residents now, to help residents against the backdrop of growing concerns around the cost of living due to inflation and significant increases in energy and fuel bills in particular. The Citizens Advice Bureau reported a 50% increase in the use of their services for financial support, with Advocacy and Appeals reporting a 66% increase in residents seeking support in the across the year from January 2021. In addition, the relaxation of Covid rules allows the Council to consider how best it can help people back into the community.

The Council's Budget and Council Tax Report 2022/23, approved at Council on 2 March 2022 set out the first use of the Covid Recovery Fund, allocating £371k of the fund towards 3 one off revenue budget investments for 2022/23, these were.

- Women's Euro 2022
- Additional Customer Call Handling
- Customer and Digital Developments

This report sets out further proposals for use of the Covid Recovery Fund across the following areas;

- £500k Cash grant scheme to provide support for households with the rising cost of energy bills.
- £300k additional funding to top up the Councils Discretionary Housing Payments fund.
- £100k to support cultural recovery events and opportunities that will enable people to reconnect.
- £50k to facilitate the administration of these proposals.

The remaining funding of £679k will be retained within the Covid Recovery Fund so that further support can be targeted at issues that arise as the course of the borough's recovery from Covid continues.

Recommendations

1. Approve the Council's proposed use of the Covid Recovery Fund for the following purposes:
 - £500k Cash grant scheme to provide support for households with the rising cost of energy bills.
 - £300k additional funding to top up the Councils Discretionary Housing Payments fund.
 - £100k to support cultural recovery events.
 - £50k to facilitate the administration of these proposals.
2. Note that a report will be presented to a future meeting regarding the remaining funding of £679k.

List of Appendices Included

Appendix 1 Equalities Impact Assessment
Appendix 2 Carbon Impact Assessment

Background Papers

Financial Outturn Report 2020/21
 Budget and Council Tax 2022/23 and Medium Term Financial Strategy

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No.

Council Approval Required

No

Exempt from the Press and Public

No

Covid Recovery Fund

1. Background

1.1 The Council's Financial Outturn Report 2020/21 to Cabinet on 19 July 2021 earmarked £2m for a Covid Recovery Fund from the £6.1m underspend position, delegating to Cabinet the authority to approve its use. The funding is being brought forward to support residents now, to help residents against the backdrop of growing concerns around the cost of living due to inflation and significant increases in energy and fuel bills in particular. The Citizens Advice Bureau reported a 50% increase in the use of their services for financial support, with Advocacy and Appeals reporting a 66% increase in residents seeking support in the across the year from January 2021. In addition, the relaxation of Covid rules allows the Council to consider how best it can help people back into the community.

1.2 The Council's Budget and Council Tax Report 2022/23, approved at Council on 2 March 2022 set out the first use of the Covid Recovery Fund, allocating £371k of the fund towards 3 one off revenue budget investments for 2022/23, these were.

- Women's Euro 2022 – Investment to support the Partnership Agreement with UEFA, enabling the Council to deliver its role well and deliver a lasting legacy from the tournament
- Additional Call Handling – Continued investment in resources to have a positive impact to the number and speed of calls answered, allowing digital engagement to further increase and the need for assisted access to fall. This aims to improve the customer service and support to residents.
- Customer and Digital - To support the delivery of the Customer & Digital programme objectives and increase the pace with which service redesign activities can be completed and digital solutions implemented. This aims to improve the customer service and support to residents.

2. Key Issues

2.1 The fund was created to take proactive steps in order to support local residents as they emerge from the pandemic. However, although the impacts of the pandemic are subsiding, there are now new significant economic pressures placing a new and significant strain on the borough's residents. The issue of rising household costs has continued to spiral, with energy bill increases continuing to increase above expectations, fuel prices continually rising and now there is also a war in Ukraine that is likely to generate further economic pressure that increases the strain on household costs. As such, it is considered that the focus of the Covid Recovery Fund should be adapted to a degree. This report sets out further proposals for use of the Covid Recovery Fund, factoring in the current economic climate that residents are facing, with support targeted across the following areas;

- £500k Cash grant scheme to provide support for households with the rising cost of energy bills.
 - £300k additional funding to top up the Councils Discretionary Housing Payments fund.
 - £100k to support cultural recovery events and opportunities that will enable people to reconnect
 - £50k to facilitate the administration of these proposals.
- 2.2 The remaining funding of £679k will be retained within the Covid Recovery Fund so that further support can be targeted at issues that arise as the course of the borough's recovery from Covid continues. Further details on each proposal are provided below.

Cash Grants for Utility Bills

- 2.3 Utility costs and debt are a major factor for many households, as household costs continue to rise above expectations and with the war in Ukraine placing further economic pressures onto household bills. The Council's existing debt management advice both within the Council through the Advocacy & Appeals Services (A & A) and in the VCS through Citizens Advice (CARD) have noted an increase in utility related debt and hardship problems since the beginning of the COVID emergency and this has been exacerbated further as energy bills in particular have increased above expectations. As such it is proposed that a cash grant is provided to households to support them with the rising costs of energy bills, where they are unable to pay their bill. The support will provide up to £250, as a one off grant, where possible paid directly to the energy provider. Households will not be entitled to multiple payments. The support will also be available to those who currently pay their bills through pre-payment meters, where the Council is assured that they are unable to pre-pay for their energy.
- 2.4 Access to the support would be via an online claims process supported via referrals from the Councils debt support packages, provided to people accessing normal debt advice provision through A & A or CARD. Support would then be provided by direct payment by the Council to the energy supplier or where not possible, to the individual. This would help people with arrears and in particular those who have found themselves in difficulty due to the most recent spikes in energy prices, to help them over what is hopefully, a shorter term financial pressure. It is not proposed to make any allocation in relation to water bills as there are existing arrangements with Yorkshire Water to help vulnerable families / people with water utility debt.
- 2.5 It is recommended that an allocation of £500k is provided to enable cash grants of up to £250 per household that submit a claim and is able to demonstrate that their rising energy bills have placed them in a financially vulnerable situation and that this support would enable them to ease that burden at a time of wider financial pressures from other rising household costs.
- 2.6 The Council will need to design a suitable online claim form to allow claimants to come forward, along with a process for residents unable to utilise the online claim form. It is proposed that the form will be made available in the early part of the 2022/23 financial year.

Additional Discretionary Housing Payments

- 2.7 It is proposed that £300k of the Covid Recovery Fund be used to top up the Council's allocation from government for 2022/23 for providing Discretionary Housing Payments. Discretionary Housing Payments are extra payments to help pay rent. They can be awarded to residents if they are already receiving Housing Benefit or get the housing element of Universal Credit but need more help with meeting housing costs. Given the wider impact of rising household costs, support with housing costs to help people to continue to live in their homes is a vital area for additional support.
- 2.8 Applicants are already able to apply for support from the Council's Government allocation of DHP via the Council's website. Applicants can potentially get support to cover costs for a rent shortfall, rent deposits or rent in advance if they need to move home. However, if the Council is able to top up the available funding it will allow more residents facing financial difficulties meeting their household costs to be supported.

Cultural Events Programme

- 2.9 A further £100k of the Covid Recovery Fund will be directed towards support for cultural recovery events and opportunities that will enable people to reconnect. The support will aim to encourage and support people to come back into the community. Some of the proposed benefits are outlined below with this fund working alongside the revenue budget investment to support the Partnership Agreement with UEFA, enabling the Council to deliver its role well and deliver a lasting legacy from the Womens Euro 2022 tournament.
- Enable participation in national programmes including beacon lighting
 - Support community groups to host their own local celebrations
 - Create a Town Centre celebration on Saturday 4th June celebrating diverse communities across the Commonwealth
 - Create a Garden Party at Clifton Park on Sunday 5th June as part of the national 'Big Lunch' programme
 - Further funding support to enhance the Queens Jubilee celebrations

The remaining funding of £679k will be retained within the Covid Recovery Fund so that further support can be targeted at issues that arise as the course of the borough's recovery from Covid continues.

3. Options considered and recommended proposal

- 3.1 The Council did consider other routes for utilising the Covid Recovery Fund, however with the recent dramatic increases in household living costs, led by the dramatic increase in energy bills for all residents, it is felt that this is where the majority of the Recovery Fund should be targeted at present along with support for housing costs. To keep in line with the original plans for the fund, the Council is also proposing events and pieces of work that promote the boroughs recovery out of Covid.

4. Consultation on proposal

4.1 The Council has consulted with officers across the Council to ensure that the proposals are feasible and can be delivered at pace.

5. Timetable and Accountability for Implementing this Decision

5.1 Cabinet approval is required to deliver the proposed schemes. Should Cabinet approve these proposals, the Council implement the schemes during the 2022/23 financial year.

6. Financial and Procurement Advice and Implications

6.1 The Council's earmarked the £2m Covid Recovery Fund within the Councils reserves. This reserve was created as part of the Financial Outturn position for 2020/21 and was delegated to Council to set how the fund would be utilised. As such the proposals within this report are affordable and can be contained within the available resources held within the Councils reserves.

6.2 There are no direct procurement implications arising from the proposals in this report.

7. Legal Advice and Implications

7.1 The different types of expenditure referred to within the report are all lawful, reasonable and rational means of distributing the money within the Covid Recovery Fund.

8. Human Resources Advice and Implications

8.1 No direct implications.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The proposals will present financial support to families and vulnerable adults.

10. Equalities and Human Rights Advice and Implications

10.1 No direct implications.

11. Implications for CO2 Emissions and Climate Change

11.1 No direct implications.

12. Implications for Partners

12.1 No direct implications.

13. Accountable Officers

Graham Saxton, Assistant Director – Financial Services
Rob Mahon, Head of Corporate Finance

Approvals obtained on behalf of Statutory Officers:-

	Named Officer	Date
Chief Executive	Sharon Kemp	14/03/22
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	11/03/22
Head of Legal Services (Monitoring Officer)	Phillip Horsfield	11/03/22

Report Author: Rob Mahon, Head of Corporate Finance

This report is published on the Council's [website](#).