

**Committee Name and Date of Committee Meeting**

Cabinet – 18 December 2023

**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**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

This report proposes further use of the Council's Covid Recovery Fund reserve. At present, taking into account approved use for 2023/24 and 2024/25 to support the Council's previously agreed revenue investments, the reserve has a remaining balance of £0.6m.

It is proposed that the remaining funding is used to help residents against the backdrop of a cost of living crisis due to inflation and significant increases in energy and fuel bills in particular. The proposal is to re-establish the cash Energy Crisis Support Scheme that the Council has previously used to provide support to households with the cost of energy bills which still remain substantially higher than two years ago, despite energy bills starting to reduce.

**Recommendations**

That Cabinet agree to:

1. Approve the proposed use of the remainder of the Covid Recovery Fund as follows:
  - a. £550k cash grant scheme to provide support for households with the rising cost of energy bills; and
  - b. £50k to facilitate the administration of the energy grant proposal.

**List of Appendices Included**

Appendix 1 Equality screening  
Appendix 2 Climate impact assessment

**Background Papers**

Covid Recovery Fund Report to Cabinet 20<sup>th</sup> November 2023

Financial Outturn 2022/23

Household Support Fund April 2023 – March 2024 to Cabinet 20th March 2023

Budget and Council Tax 2023/24 Report to Council on 2<sup>nd</sup> March 2023

Covid Recovery Fund Report to Cabinet 28<sup>th</sup> March 2022

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

None

**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.
- 1.2 This report proposes further use of the Council's Covid Recovery Fund reserve. At present, taking into account approved use for 2023/24 and 2024/25 previously agreed revenue investments, the reserve has a remaining balance of £0.6m
- 1.3 It is proposed that the remaining funding is used to help residents against the backdrop of a cost of living crisis due to inflation and significant increases in energy and fuel bills in particular. The proposal is to re-establish the cash Energy Crisis Support Scheme that the Council has previously used to provide support to households with the cost of energy bills which still remain substantially higher than two years ago, despite energy bills starting to reduce.
- 1.4 The Household Support Fund April 2023 to March 2024 report to Cabinet in March 2023 approved additional funding for the Council's Energy Crisis Support Scheme (ECSS). In 2023/24 over 2,300 grants of £250 have been paid to households who were eligible for the scheme. The funding allocated to the ECSS through the HSF had been fully spent by the end of June 2023.
- 1.5 To provide support to households with increased energy bills as a result of the winter it is proposed to allocate the remainder of the Covid Recovery Fund to establish a new scheme which will open to applications in January 2024.

### **2. Key Issues**

#### **2.1 Energy Crisis Support Scheme**

- 2.2 The scheme was launched in 2022/23 as part of the Council's Covid Recovery Fund, providing for all successful applications to receive up to £250 (April to September), with an additional £150 to pensioners funded via the Household Support Fund. The scheme was updated as part of the Household Support Fund allocation for October 2022 to March 2023 to provide support of £400 as a one-off grant.
- 2.3 In 2023/24 the scheme was revised with grants of £250. This reflected the available funding through the Household Support Fund with the aim of ensuring a greater number of residents could access the scheme. The scheme arrangements are that the Council receives applications for energy crisis support via an online application form, though residents can call the Council to make an assisted application.

- 2.4 It is proposed that the ECSS be made available between January and March 2024 and continue to provide grants of £250 for eligible households. There will be an additional resource requirement to manage and oversee the grant programme and deliver the day to day administration of the applications, as such it is proposed £50k is earmarked for this purpose. Should the full amount not be required any surplus would be used to provide more grants.
- 2.5 Demand for the scheme has varied and it is proposed to set aside the full remaining Covid Recovery Fund to support the scheme. This would fund up to 2,200 grants in addition to meeting the cost of administering the grant application process.
- 2.6 **The Household Support Fund**
- 2.7 The Household Support Fund April 2023 – March 2024 report to Cabinet in March 2023 approved provisional allocations of the Household Support Fund Grant of £4.978m.
- 2.8 It is likely that actual spend will vary from that allocated to specific uses dependant on demand. The HSF report proposed that to ensure full spend for the year, any balancing sums be applied through the Energy Crisis Support Scheme.
- 2.9 If a further £200k became available this could increase the total funding for grants to £750k or 3,000 grants of £250.
- 2.10 The Council's Energy Crisis Support Scheme is compliant with the HSF guidance and meets the condition to operate an application-based service.
- 2.11 The Assistant Chief Executive in consultation with the Cabinet Member for Social Inclusion, has delegated authority to determine revised and final allocations for the Household Support Grant.

### **3. Options considered and recommended proposal**

- 3.1 The Council did consider other routes for utilising the Covid Recovery Fund, however with the dramatic increases in household living costs, led by the increase in energy bills for all residents, it is felt that this is where the Covid Recovery Fund should be targeted at present.
- 3.2 The recommendation has been assessed and aligned with the other actions being taken by the Council to support people in need including the support approved as part of the Household Support Fund.

### **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 Arrangements are in place to administer the Energy Crisis Support Scheme between January and March 2024.

## **6. Financial and Procurement Advice and Implications**

6.1 The Council earmarked the 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 Cabinet 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 recommendations detailed in the report.

## **7. Legal Advice and Implications**

7.1 The Council has the ability to provide support for people in need through various provisions including S. 1 of the Localism Act 2011 (c. 20) (Local authority's general power of competence); S. 17 of the Children Act 1989 (c. 41) (Provision of services for children in need, their families and others) among other provisions.

7.2 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 There are no Human Resources implications associated with this report.

## **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 The use of the Covid Recovery Fund is targeting vulnerable households including families with children will contribute to addressing economic and social inequalities. It will have a positive equalities impact.

## **11. Implications for CO2 Emissions and Climate Change**

11.1 There are no implications for CO2 emissions of climate change.

## **12. Implications for Partners**

12.1. No direct implications.

**13. Accountable Officers**

Rob Mahon, Assistant Director Financial Services.

Approvals obtained on behalf of Statutory Officers: -

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	04/12/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	30/11/23
Assistant Director, Legal Services (Monitoring Officer)	Phillip Horsfield	30/11/23

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