

Cabinet

Report Title	Local Welfare Provision Policy 2025-26 amendment
Date of Meeting	Wednesday, 25 June 2025
Report Author	Ian Dunn - Revenues & Benefits Service Manager
Lead Officer	Executive Director - Finance & Transformation
Lead Cabinet Member(s)	Cabinet Member for Finance & Resources and Deputy Leader
Why is this a key decision?	To be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.
Wards Affected	(All Wards);
Identify exempt information and exemption category	Open
Is the report urgent?	No
Reasons for urgency (only where applicable)	
Appendices (if any)	1. Local Welfare Provision policy 2025-26 amended

1. Executive Summary

- 1.1 This report proposed changes to Local Welfare Provision policy for 2025-26 to allow more residents to be entitled to additional support following the approval of the Household Support Fund spend allocation for 2025-26.

2. Recommendations

For the reasons set out in the report, Cabinet is recommended to:-

Approve the Local Welfare Provision policy amendments for 2025 – 26 as set out below:

- residents who are in receipt of Council Tax reduction to be potentially entitled to support through LWP. This will be low-income residents; and
- LWP to be available to support with the provision of disabled equipment i.e. wheelchair, where no other financial support is available.

3. Proposals – Reasons for the recommendations

- 3.1 The Department for Work and Pensions has allocated Sandwell MBC £6.118m for the Household Support Fund (HSF) for April 2025 to March 2026. This is the seventh HSF and is a reduction of £824k based on previous years funding.
- 3.2 The HSF primary objective is to provide support to vulnerable households most in need with the cost of essentials (Energy bills, Food, Fuel) and Local Authorities should particularly consider how to support a wide range of low income households in need, including families with children, pensioners, unpaid carers, care leavers, large families, single person households and people with disabilities. Cabinet has previously approved how the HSF will be spent.
- 3.3 The HSF spend includes an allocation of £300k to fund Sandwell's Local Welfare Provision (LWP) scheme for 2025-26. This provides support with items such as food, travel, fuel, white goods and furniture.
- 3.4 The current LWP policy for 2025-26 provides a range of support to individuals resident within borough who may receive support if they are age 18 and over and in receipt of:
- Income Support;
 - Income based Jobseekers Allowance; or
 - Income related Employment and Support Allowance; or
 - Pension Credit Guaranteed; or
 - Contribution based Job Seekers Allowance*; or
 - Contribution based Employment and Support Allowance*; or
 - Universal Credit (means tested maximum award rate/where the award; or does not include an earnings disregard); and
 - Reside in Sandwell
- 3.5 As part of approving the allocation of funding for LWP the following changes are required to the policy for 2025-26:
- residents who are in receipt of Council Tax reduction to be potentially entitled to support through LWP. This will be low-income residents; and
 - LWP to be available to support with the provision of disabled equipment i.e. wheelchair, where no other financial support is available.

- 3.8 Introducing the above changes will increase the number of residents who could be potentially entitled to LWP support.

4 Alternative Options Considered

- 4.1 As part of the HSF spend cabinet considered other options and approved the £300k allocation for LWP for 2025-26.
- 4.2 The other options were:
- Allocate LWP £200K for 2025-26
 - Not award any LWP funding for 2025-26

Both above options would limit the support to eligible households and result in a previous cabinet decision not being implemented. These options were therefore dismissed.

5. Consultation

- 5.1 Not applicable.

6. Financial Implications

The funding has come via the HSF which has been funded by the Department for Work and Pensions.

7. Legal and Governance Implications

- 7.1 Cabinet is required to approve the revised policy. Grant funding which supports the local welfare provision was made through the allocation of monies received through for the Household Support Fund (HSF) pursuant to s.31 Local Government Act 2003 which permits the Government to pay grants to local authorities towards expenditure incurred or to be incurred by it.

- 7.2 In determining relevant arrangements, the authority must ensure that the grant funding conditions are met. Non-compliance could lead to a duty to repay the grant. Local Authorities are required to use this funding to offer essential crisis support according to local need, alongside which they are encouraged to deliver some level of preventative support. Support can be delivered through cash, vouchers or in kind.

The allocation of funding from the HSF to support LWP arrangements together with changes to qualification and allocation criteria proposed through this report are consistent with the grant funding conditions associated with the allocation made by Government under s.31 powers.

8. Risks

- 8.1 There is a risk that by increasing the eligibility to LWP for residents who are in receipt of Council Tax reduction (28,000 households) that there will be insufficient LWP funding for 2025-26. Once the funding has been spent there is currently no further funding for 2025-26 and the LWP may have to close before the 31st March 2025.

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 Equality impact assessments have previously been completed on the LWP policy.

10. Other Relevant Implications

- 10.1 N/A

11. Background Documents

- 11.1 N/A

12. How does this deliver the objectives of the Strategic Themes?

- Growing up in Sandwell
- Living in Sandwell
- Healthy in Sandwell
- Thriving Economy in Sandwell

- 12.1 Sandwell's LWP policy is operating well and providing crucial support to vulnerable, low-income households