

Report to:	Scrutiny
Date:	11 July 2022
Title:	Cost of Living Crisis
Report of:	Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning
Cabinet member:	Councillor David Tutt, Leader and Cabinet member for Community Strategy
Ward(s):	All
Purpose of report:	To agree a range of measures to support local people struggling due to the cost of living crisis.
Decision type:	Key
Officer recommendation(s) to the Cabinet:	<p>(1) To agree that £250k be allocated from the newly created Cost of Living Support Reserve to establish a cost of living crisis fund.</p> <p>(2) To agree that the Deputy Chief Executive, in consultation with the Grants Task Group, be given delegated authority to allocate the cost of living crisis fund.</p>
Reasons for recommendations:	To help tackle those worst affected by the cost of living crisis.
Contact Officer(s):	Name: Seanne Sweeney Post title: Community Services Lead E-mail: Seanne.Sweeney@lewes-eastbourne.gov.uk Telephone number: 01273 085630

1 Introduction

- 1.1 The UK is currently experiencing a range of significant financial challenges which are affecting the lives of the population nationally as well as locally. The combination of increased fuel costs, food costs and inflation, coming as people are only just recovering from the challenges of Covid, is putting massive pressure on households particularly those with low incomes.
- 1.2 It was agreed by full council at its meeting in May 2022 that, along with some broader actions in response to the pandemic, a cost of living emergency fund be established. This £250k fund would broadly support priorities including food, fuel and accommodation at a number of pinch points across the year.

2 Proposal

- 2.1 In light of the urgency of the crisis, the Council has already made an initial payment of £20k to Eastbourne Food Bank to ensure availability of food for those in immediate need. However, as it is expected that current challenges will continue, and indeed are likely to be compounded into the autumn and winter, Cabinet is asked to agree to further measures.
- 2.2 The Deputy Chief Executive will be given delegated authority to, in consultation with the Grants Task Group, enable these funds to be distributed with maximum speed and efficiency, ensuring effective resources are allocated according to need.
- 2.3 The remaining £230k of the fund would be used to address rising need around fuel, food and accommodation. It is further proposed that local, trusted voluntary sector organisations be enlisted in administering of the fund, subject to approval of the Deputy Chief Executive and Grants Task Group. This may initially consist of Citizens Advice and Eastbourne Foodbank to support with advice, debt management, discretionary payments, and food provision respectively.
- 2.4 It is recognised that Community Fridges (or larders) can also be a sustainable and inclusive way to provide food and reduce food waste in local communities. The Council would like to support the establishment of a community fridge in each ward, and it is proposed that £30k of the fund be ringfenced to cover administrative and set-up costs for groups wishing to support their community through this provision.
- 2.5 It is unlikely that we will understand the full extent of the cost of living crisis until we move through the autumn and winter months. The energy cap rise in October along with increased need to heat homes means that household costs will inflate.

To that end, it is proposed that the fund be portioned in its implementation with one portion made available as soon as possible, another in early autumn and the final in January.

3 Outcome expected and performance management

- 3.1 The challenges facing local residents as a result of the cost of living crisis are very real and very urgent. The council cannot singlehandedly resolve these complex and national level issues. However, the proposals set out in this report can and will go some way to help alleviate some of the real hardship local people are facing.

4 Corporate plan and council policies

- 4.1 These proposals are in line with the corporate pledge to promote inclusion and address deprivation through working with local charities or CIC's.

5 Financial appraisal

- 5.1 The draft out-turn position for 2021/22 has delivered more savings than the target and as a result the Council will be able to build upon its reserves and provide further resilience for future years. As part of the out-turn report it is requested to approve a transfer of £350,000 to a newly created Cost of Living Support Earmarked Reserve.

The cost of living fund of £250,000 will be funded from this reserve in 2022/23.

6 Legal implications

- 6.1 Following Cabinet approval of the officer recommendations in this report, the persons authorised to manage and implement the cost of living crisis funding must perform those functions on a fair, open and consistent basis; and keep a record of their decision-making process, for audit and accountability purposes.

At the relevant time, the Council's legal team can advise on the need for contract or grant agreements, as applicable.

Lawyer consulted 13.06.22

Legal ref: 011179-EBC-OD

7 Risk management implications

- 7.1 It's likely that for many the compounding factors of the current crisis will mean that they cannot meet their own basic needs. Planned intervention at this stage may help to prevent extreme hardship and the knock-on effect of people not able to pay for essentials.

8 Equality analysis

- 8.1 The cost of living crisis is likely to impact household budgets across the board, with utilities, food products and fuel increasing in price. Working-age people on low-incomes or squeezed budgets are likely to be impacted more as the year progresses, as well as older people particularly by increased heating costs in autumn and winter. Residents in rural locations who rely on oil to heat their homes will be subject to increased oil costs. People reliant on cars, including those in rural locations, could be impacted by increased running costs. Food items have already seen some price increases, and households – particularly larger ones – are likely to feel that increased cost.

It is hoped these proposals will go some way towards mitigating the generally negative impacts brought by the cost of living crisis. The full Equality Analysis is available from the report author.

9 Environmental sustainability implications

- 9.1 None.

10 Appendices

None

11 Background papers

None