

Report to: Cabinet

Date: 8 December 2022

Title: Cost of Living Update

Report of: Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning

Cabinet member: Zoe Nicholson, Deputy Leader of the Council, Cabinet Member for Finance and Assets

Ward(s): All

Purpose of report: To update Cabinet on steps taken to support residents through the cost of living crisis.

Decision type: Non-Key

Officer recommendation(s): (1) To note the progress of measures taken to support residents through the cost of living crisis.

Reasons for recommendations: The Council has committed to a range of ongoing measures which are supporting residents and organisations across the district.

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1 Introduction

- 1.1 Earlier in the year it became apparent that the UK was headed for a range of major financial challenges, which together have formed a significant cost of living crisis. The combination of increased fuel, energy and food costs coupled with inflation, is putting huge pressure on households particularly those on low incomes.
- 1.2 In July of this year Full Council declared a Cost of Living Emergency. This recognised that many residents will be adversely impacted as outlined above, particularly through the winter months. Within the motion was a commitment for the Council to hold a cost of living summit, as described in paragraph 2.5.
- 1.3 At its meeting also in July, Cabinet agreed to establish a Cost of Living Crisis Fund. The £250,000 fund would be dedicated to supporting the local voluntary sector as it responds to need through the winter, along with a dedicated officer to administer the fund and coordinate a strategic, longer term piece of work to support residents with the cost of living.

2 Council initiatives to date

- 2.1 The Council recognised that some households who desperately needed it did not qualify for the government's £650 payment, often only rendered ineligible by as little as £1. A separate 'Safety Net' fund of £500,000 was created for these low-income households and, so far, has received upwards of one hundred applications (at time of writing). The Council intends to write to eligible residents shortly advising on how to apply.
- 2.2 The Council Tax Reduction scheme is available to households on benefits or low incomes, with 100% reduction for eligible pensioners. Additionally, Discretionary Housing Payments continue to be available to those who are eligible and potentially facing eviction, with 120 awards confirmed this year and approximately £69,000 remaining at the time of writing.
- 2.3 Autumn's edition of Tenants Open Voice was packed with information for tenants worried about how the cost of living crisis will impact them, including tips for energy saving, grants for households and support with food. Prior to that, the council held a well-attended budgeting workshop for tenants at which Ovesco (a local organisation working towards community owned renewable energy) delivered a presentation on energy wellbeing. December's edition will incorporate a supplement on help and advice through the cost of living crisis.
- 2.4 The Council's quarterly magazine District News is delivered to every household in the district and is filled with help and advice related to the cost of living crisis. Residents will find energy saving information, budgeting advice, foodbank information, signposts to free support in communities and information on local Warm Spaces in the next edition, which will go out in January.
- 2.5 In line with the commitment made at July's Full Council, a Cost of Living Emergency Summit was held in Southover House at the end of October. This saw attendance from a range of partners including food banks, advice and homeless services, church groups, the Voluntary Action and Councillors. The summit marked a collaborative and coordinated approach to the cost of living crisis, with the establishment of a cross-sector steering group and local service directory imminent. Attendees expressed enthusiasm for a second summit in January which will take stock of the challenges and gaps following Christmas.

3 Warm Spaces and support for the voluntary sector

- 3.1 The Cost of Living Crisis Fund is primarily intended to support our local voluntary sector partners as they respond to the extreme challenges brought about by this current crisis. As well as creating dedicated staff resource, the fund also provided emergency payments to local food banks as schools broke out for the summer.
- 3.2 Thanks to the creation of the fund, a grants programme was launched in September and invited applications from local organisations who wished to develop or enhance a 'warm space' offer. To date grants have been given to 12 schemes and applicants have signed up to the Council's Warm Space

Principles. They are also included in the district-wide Warm Spaces directory which is maintained by officers and available on the website.

3.3 As well as Warm Spaces, the grant programme sought applications from projects and groups focussed on food resilience, advice provision (including debt & welfare), tackling digital exclusion and green energy. Aside from Warm Spaces and support for food banks, a total of £50,000 has been awarded to local initiatives including community supermarkets, cookery classes, day centres, addressing digital exclusion and debt and welfare advice. This marked an initial round of funding, with the potential of running a second-round dependent on uptake and provision after Christmas.

3.4 As set out in July's Cabinet paper, the Council will develop a strategic action-plan focussed on tackling fuel and food poverty in the district. This is underway and sets out timely and achievable steps the Council will take in collaboration with voluntary and statutory partners, to address cost of living challenges in the longer term.

4 Consultation

4.1 This area of work has included much engagement with our partners in the voluntary and statutory sectors. This will continue as we move through the winter months and continue to collaborate in order to best support residents.

5 Corporate plan and council policies

5.1 Much of the contents of this report places an emphasis on sustainability and will complement the Sustainability Policy. In addition to this the Council's corporate plan places a central focus on helping the most vulnerable in our district, and the measures outlined support this priority.

6 Financial appraisal

6.1 The Cabinet previously agreed to establish a Cost of Living Crisis Fund, with £250,000 being allocated to supporting the local voluntary sector as it responds to need through the winter, along with a dedicated officer to administer the fund and coordinate a strategic, longer term piece of work to support residents with the cost of living. All of the initiatives and services referred to in this report will be undertaken within the set aside approved resource.

7 Legal implications

7.1 This report is for noting only and does not directly give rise to any legal issues. Legal advice can be provided in relation to any of the measures outlined above as and when required.

8 Equality analysis

- 8.1 The cost of living crisis is likely to impact many household budgets, 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, and 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 those with children may see an increase in their weekly food cost.

9 Environmental sustainability implications

- 9.1 Although the primary consideration of this report is the alleviation of hardship, where residents are in a position to reduce their fuel costs through energy efficiency measures in their home, the current pressures on fuel costs may have the incidental benefit of reducing use of fossil fuels which contribute to global warming. The strategic action plan will include measures to improve food resilience therefore may bear some improvement around food waste and local produce.

10 Contribution to Community Wealth Building

- 10.1 By taking a collaborative approach to supporting local people, through giving grants to local voluntary and community organisation, the council is promoting the community wealth building principle of plural ownership.

11 Appendices

- 11.1 None

12 Background Papers

- 12.1 None