

CABINET

Date of Meeting	Monday, 26 th September 2022
Report Subject	Cost of Living Crisis
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Chief Officer (Housing & Communities)
Type of Report	Operational

EXECUTIVE SUMMARY

The recent increase in the cost of living has come at a time when a combination of factors are impacting on individuals, families, and our communities, driving more people into poverty, and creating social needs that were not an issue pre-pandemic. It is therefore important for the Council and its partners to consider what action and support may be provided to our communities to mitigate some of these impacts.

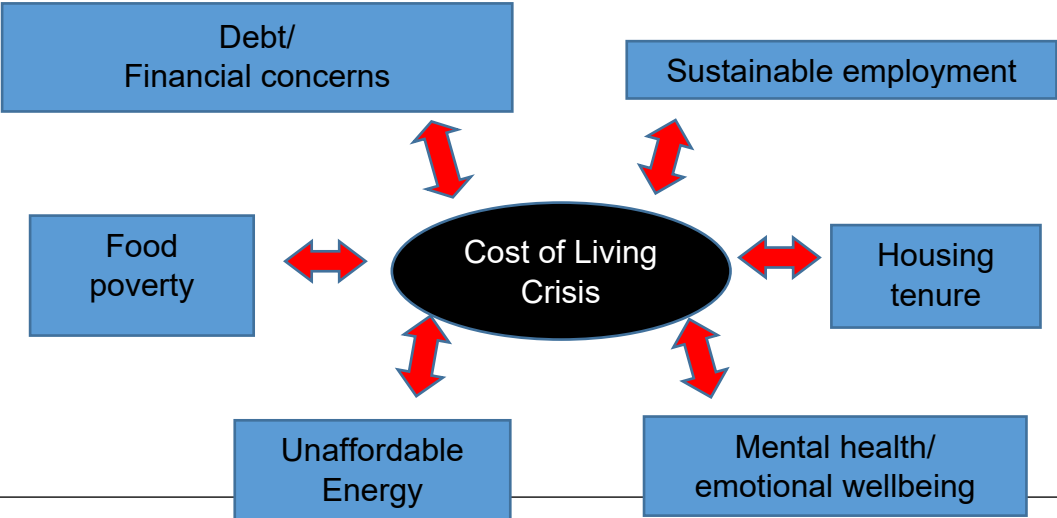
The report explores some of the reasons for this, reflects on the response so far and looks to the future response.

RECOMMENDATIONS

1	To provide Cabinet with an update on cost of living support schemes and to seek support and approval for the development of warm hubs
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REPORT DETAILS

1.00	EXPLAINING THE COST OF LIVING CRISIS
1.01	The recent increase in the cost of living has come at a time when a combination of factors are impacting on individuals, families, and our communities, driving more people into poverty, and creating social needs that were not an issue pre-pandemic. It is therefore important for the

	Council and its partners to consider what action and support may be provided to our communities to mitigate some of these impacts.
1.02	A perfect storm of inflation, increased energy costs, and the impact of interest rate and tax increases is contributing to what is being widely referred to as the “cost of living crisis”. The “cost of living crisis” refers to the fall in ‘real’ incomes (i.e. adjusted for inflation and tax) that the United Kingdom (UK) has experienced since late 2021, caused by a combination of high inflation outstripping wage increases, tax increases that have squeezed incomes for many families and significantly increased energy costs (negatively influenced by the current war in Ukraine). The crisis is expected to deepen over the winter and despite central government measures to alleviate some of the high energy prices, inflation is expected to continue to increase much more rapidly compounding this situation further.
1.03	As the “crisis” deepens, it is predicted that poorer households will be hit the hardest, more families will fall into poverty as a result of increased costs. There is information to suggest that the real term cost is pushing many into serious financial difficulties ¹ and some even risk homelessness. ² Economists are predicting that incomes will be impacted at levels greater than that seen during the financial crash of 2008. A recent poll revealed that one third of those surveyed fear they will be unable to pay their energy bills this year. ³
1.04	<p>Based on the plethora of issues that cumulatively create the “cost of living crisis”, some of the key issues can be distilled into a number of distinct but inter-related categories:</p>  <pre> graph TD CLC([Cost of Living Crisis]) <--> DFC[Debt/ Financial concerns] CLC <--> SE[Sustainable employment] CLC <--> FP[Food poverty] CLC <--> HT[Housing tenure] CLC <--> UE[Unaffordable Energy] CLC <--> MHE[Mental health/ emotional wellbeing] </pre>

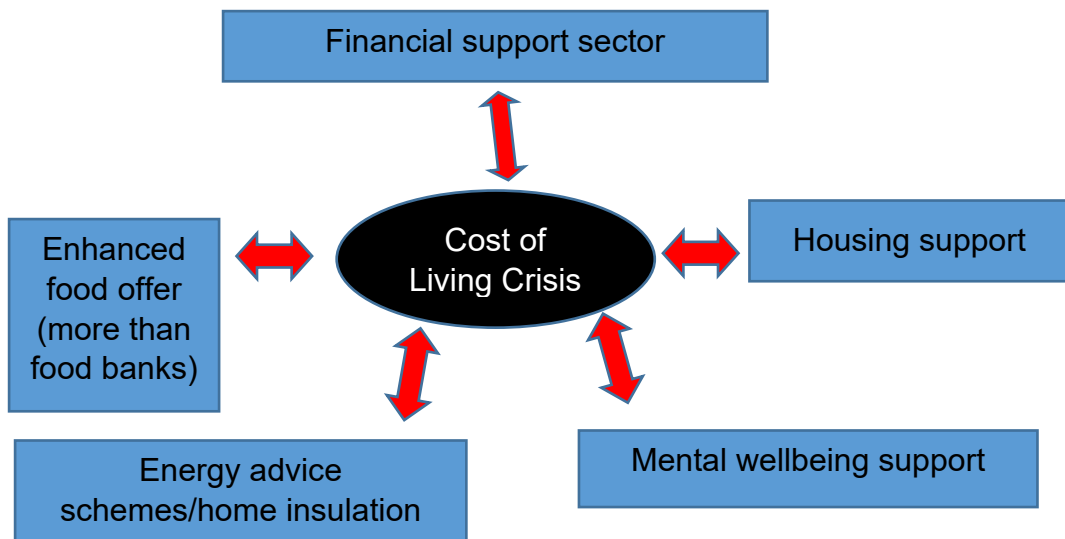
¹ Office for National Statistics, What's in the basket of goods? 70 years of shopping history, 21 July 2016, www.ons.gov.uk/economy/inflationandpriceindices/articles/whatsinthebasketofgoods70yearsofshoppinghistory/2016-07-21

² Office for National Statistics, Inflation and price indices, www.ons.gov.uk/economy/inflationandpriceindices

³ Explained: What Is The Cost Of Living Crisis? | HuffPost UK Politics (huffingtonpost.co.uk)

1.05

In order to address the wide scope of the issues it will be necessary to coordinate the activities of the council and its partners to ensure that the response and support offered within our communities is as wide ranging as possible. The diagram below shows a comprehensive view of the range of support that is/will be necessary:



1.06

Our Response so far:

Over the last year or so, the council has been supporting residents in many ways, as part of objectives in the Council Plan; the recovery programme for Covid, has now morphed and transformed into a response to the emerging cost of living crisis and has included:

- The Well-fed Mobile shop visiting towns and rural areas
- Set up the Well-Fed Meals on Wheels service, delivering fresh meals to residents homes
- Free fruit for all students in nine high schools, extended until October 2022
- Carried out five slow cooker pilots, school parents, sheltered accommodation residents, socially isolated families after lockdown, assisting with the promotion of Meals on Wheels Service
- Wellness Mondays in the Community Support Hub, Shotton/Social prescribing
- Opened Nanny Biscuit Pantry in a supported accommodation setting
- Set up the Hospital to home food safety box service for residents returning home from hospital to help them to continue to eat well
- School uniform exchange
- Administered 8,672 applications for Winter Fuel Payment Support Scheme from December to March, awarding 6,682 eligible customers with £200 towards their fuel bills for winter 2021/22.
- Administration and delivery of the Welsh Government Cost of Living Scheme, both, which has meant that we have made a range of direct payments via the council tax system and secured funding for a meals programme for the county over the next two years.

	<ul style="list-style-type: none"> • Administering claims on behalf of Welsh Government for £500 Unpaid Carers Scheme. • Continue to administer Welsh Government’s £500 Unpaid Carers Payment Scheme and ensure all payments are issued by 30th September 2022. • Continue to administer Welsh Government’s £150 Cost of Living Scheme (main phase) and ensure all payments are issued by 30th September 2022.
1.07	<p>Next Steps:</p> <ul style="list-style-type: none"> • Open a further two Community Support hubs to support residents with the cost of living • Open a Well-Fed shop in Shotton, selling affordable and healthy ‘grab and go’ food, ready meals and slow cooker bags • Carry out five slow cooker pilots, • Development and promotion of Meals on Wheels service • Increase the locations of the Well-Fed mobile shop in rural areas • Continue to address food poverty reducing the use of food banks • Support Well-Fed food store currently delivering to 40 residents per week • Install Wi-Fi in all 16 HRA community centers to help support digital inclusion for our residents – Carrying out an initial trial on two centres • Tablet courses for our residents, loaning tablets • Work in collaboration with the 3rd sector and volunteers to increase capacity and reach • Continue with free fruit in the nine high schools • Ensuring that take-up to benefit entitlements is maximised in a timely way by processing claims efficiently • Continue to promote applications for Free School Meals and Uniform Grants whilst ensuring the application process encourages future take up and making the process as easy as possible • Promote and administer Winter Fuel Scheme 2022/23 effectively to ensure high levels of take-up. • Administer Welsh Government’s Discretionary phase of the Cost of Living Scheme and ensure all payments are issued by 31st March 2023. • Improve Communication with residents to ensure expectations are set and met in relation to the delivery of new schemes. • Restart targeted take up campaigns to ensure we are encouraging new customers to claim what they are entitled to claim.
	<p>Winter Fuel Payment Scheme 2022/23</p>
1.08	<p>The Welsh Government Fuel Support Scheme is part of a £90m fuel support package to address immediate pressures on living costs. Eligible households can claim a one-off £200 payment from their local authority to provide support towards paying their fuel costs. This payment is in addition to the Energy Bill rebate being offered by the UK Government and the Winter Fuel Payment normally paid to pensioners. The payment will be available to all eligible households (one payment per household) regardless of how they pay for their fuel, whether that is, for example, on a</p>

	pre-payment meter, by direct debit or by paying a bill quarterly and can be claimed regardless of whether they are using on or off-grid fuel.
1.09	<p>What are the qualifying benefits?</p> <p>The scheme will be open to households where an applicant, or their partner is in receipt of one of the qualifying benefits at any time between 1 September 2022 and 31 January 2023:</p> <ul style="list-style-type: none"> • Council Tax Reduction Scheme (CTRS) • Income Support • Income Based Job Seekers Allowance • Income Related Employment and Support Allowance • Universal Credit • Working Tax Credits • Child Tax Credits • Pension Credit • Personal Independence Payment (PIP) • Disability Living Allowance (DLA) • Attendance Allowance • Carers Allowance – <i>this includes those people who are being paid Carers Allowance and people who have claimed Carers Allowance but due to the overlapping benefit rules do not receive it as a cash benefit, i.e. they have an underlying entitlement to Carers Allowance.</i> • Contributory Based/New Style Jobseekers Allowance • Contributory Based/New Style Employment and Support Allowance • Armed Forces Independence Payment • Constant Attendance Allowance • War Pension Mobility Supplement
1.10	<p>If a householder (or their partner) who is liable for the fuel costs does not receive any of the qualifying benefits, the householder should be determined/considered as eligible for a payment if they have a qualifying person living with them during the qualifying period.</p> <p>A person meets the definition of a qualifying person if they:</p> <ul style="list-style-type: none"> • Occupy the householder’s home as their primary residence; and • Are a dependent child or another adult living with the householder (or their partner); and, • They receive one of the following benefits between 1 September 2022 and 31 January 2023: <ul style="list-style-type: none"> ○ Attendance Allowance ○ Disability Living Allowance ○ Personal Independence Payment ○ Armed Forces Independence Payment ○ Constant Attendance Allowance ○ War Pension Mobility Supplement
1.11	This is in reflection of the higher energy costs typically faced by a household where a disabled person resides, and a common-sense approach that recognises that Disability Living Allowance is primarily

	awarded to a disabled child aged under 16 (who cannot be a householder). The payment should be made to the householder liable for council tax or the fuel costs.
1.12	<p>What is the Fuel Liability Condition?</p> <p>An applicant meets this condition if they (or their partner) are liable for Council Tax as their liability for Council Tax is considered synonymous with fuel liability.</p> <p>Applicants that are not responsible for paying Council Tax can demonstrate they meet this condition by providing evidence they are responsible for paying the fuel costs for their property. This is the case regardless of whether fuel is paid for through a pre-payment meter, by direct debit or quarterly bill and whether the fuel is received on or off grid.</p> <p>Applicants can only claim for fuel costs at a property in Wales and where this property is considered their primary residence.</p>
1.13	The scheme will open for registration at 9am on 26 th September 2022. All applications must be received by 5pm on 28 February 2023.
1.14	<p>There are a few key differences between the scheme that operated in 2021/2022 and the scheme for 2022/2023:</p> <ul style="list-style-type: none"> ○ Pension Age included this year ○ Off Grid fuel included this year ○ Income list has increased and includes most DWP benefits not just means tested benefits ○ The facility to auto-pay similar to the approach with the Cost of Living Support scheme that ran earlier this year
1.15	We have a plan to ensure that as many eligible residents receive the payment and try to make as many auto payments as possible using the information we already have.
	Proposal for Warm Hubs which will provide additional support:
1.16	<p>Background</p> <p>There are 22 community centres within our own sheltered accommodation schemes across Flintshire.</p> <p>Since the easing of lockdown restrictions, we are pleased to say we have been able to reopen a number of these centres for our residents to attend classes and coffee mornings to help alleviate loneliness and isolation.</p>
1.17	<p>Warm Hubs Proposal</p> <p>The recent increase in the cost of living at a time when a combination of factors are impacting on communities, driving them further into poverty and creating social needs that have now become more of an issue post pandemic. Residents fear they will not be able to afford buy food and pay their energy bills this year.</p>

1.18	<p>One in four older people are known to struggle with rising fuel prices, food poverty and isolation. To help ease the pressure of those affected we propose to open the community centres/rooms within the sheltered accommodation schemes November 2022 to March 2023 for Local Authority tenants in those schemes.</p> <p>This will initially be targeted to the residents within the schemes and we will look expand this to the wider community by working with other organisations and centres to ensure as wide a coverage as possible</p>
1.19	We will also support our residents to eat well by providing each centre with a fridge, microwave and Well-Fed meals giving the residents the opportunity to eat together or take their meal home with them.
1.20	We have liaised with a number residents and identified their interest to help direct us with the arrangements.
1.21	The accommodation support team will assist with the opening/closing of the centre and be there to support the residents as well as encouraging those who may still be apprehensive about leaving their home.
1.22	In addition to the centres, we will also be supporting the community hubs in Shotton and Holywell as well as the community centre in the Holway to become warm hubs.
	The Future
1.23	The Well-being of Future Generations Act Wales 2015 enables us to reflect on the long-term impact of our activity to work with residents, communities and each other, and to work on solutions that will assist and reduce persistent problems such as poverty, health inequalities and climate change.
1.24	For the sustainability and longevity of this model, we will endeavor to support our working in collaboration with partners and the voluntary sector allowing the centres and community hubs to remain open as a safe, welcoming place throughout the year.

2.00	RESOURCE IMPLICATIONS
2.01	The winter fuel payment scheme is funded by Welsh Government
2.02	The proposal for the warm hubs will be resourced by existing staff within the sheltered schemes and existing funding for the community hubs

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Integrated Impact Assessment is currently being completed and will be considered as part of the final design process for the service.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Council Plan 2021 – 23 – Theme: Poverty Wellbeing Objective: Protecting people from poverty by supporting them to meet their basic needs. https://www.flintshire.gov.uk/en/PDFFiles/Council-Democracy/Council-Plan-2021-23-Final.pdf

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Jen Griffiths, Service Manager, Housing, Welfare and Communities Telephone: 01352 702929 E-mail: jen.griffiths@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	Cost of Living Crisis – A perfect storm of inflation, increased energy costs, and the impact of interest rate and tax increases