

Resources and Fire & Rescue Overview and Scrutiny Committee

13 September 2023

Cost-of-Living Support Update

Recommendations

That the Resources and Fire & Rescue Overview and Scrutiny Committee considers and comments on the progress and impact of the cost-of-living support initiatives put in place so far, and endorses the continuing approach to addressing cost-of-living pressures

1. Executive Summary

- 1.1 In October 2022, Cabinet approved an approach to addressing cost-of-living pressures in Warwickshire and approved a funding package of up to £1million from the Revenue Investment Fund for a range of initiatives to support residents and communities. Cabinet delegated authority to the Executive Director for Resources to allocate this funding, in consultation with the Leader, the Portfolio Holder for Finance and Property, and the Portfolio Holder for Environment, Climate, and Culture. £732,000 of the £1million has been spent or is committed to be spent as of 15 August 2023.
- 1.2 In October 2022, Cabinet approved the allocation of the Household Support Fund grant between October 2022 and March 2023, to be distributed through the Warwickshire Local Welfare Scheme. Subsequently, in April 2023, Cabinet approved the allocation of the £6.94million Household Support Fund grant between April 2023 and March 2024, to again be distributed through the Warwickshire Local Welfare Scheme.
- 1.3 Cost-of-living pressures continue to have a significant impact on residents and communities, and plans need to be in place for a further period of elevated prices, reduced household incomes, and increased housing costs.
- 1.4 Businesses have been hit hard by cost-of-living (and “cost-of-operating”) pressures. Inflation has pushed up the cost of energy and supplies, and a tight labour market has led to recruitment and retention difficulties and upward pressure on salaries.
- 1.5 This report describes the support initiatives invested in so far and their impact, effectiveness, value for money, and any lessons learnt. The report invites feedback on the proposed use of the remaining funding (£268,000 as of 15 August 2023) to support residents and communities through winter 2023/2024 and beyond. Final decisions will be taken by the Executive Director for

Resources, in consultation with the Leader, the Portfolio Holder for Finance and Property, and the Portfolio Holder for Environment, Climate, and Culture, in accordance with the delegated power given to them by Cabinet in October 2022.

- 1.6 This report gives an update on the Household Support Fund, which, alongside the Revenue Investment Fund package of support, represents much of the Council's investment in addressing cost-of-living pressures.
- 1.7 This report builds on the Team Warwickshire approach referenced in previous reports, recognising that the response to cost-of-living pressures in Warwickshire will be most effective through a collaborative multi-agency approach that draws upon the full range of partner contributions.

2. Financial Implications

- 2.1 The further package of support initiatives described in Appendix 1 can be funded through the remainder of the up to £1million Revenue Investment Funding approved by Cabinet in October 2022. There is £268,000 remaining as of 15 August 2023.
- 2.2 The further package of support initiatives described in Appendix 1 is separate to, although complements and adds value to, the support provided through the allocation of the Household Support Fund grant between April 2023 and March 2024, as described in Appendix 5.
- 2.3 Funding for the continuation of the Community Supermarkets (Community Pantries) beyond the end of March 2024 is not intended to be covered by the remainder of the Revenue Investment Funding approved by Cabinet in October 2022. Work is ongoing to develop options to sustain the Community Supermarkets.
- 2.4 The one-off nature of the resources being allocated means it is crucial that the support initiatives described in Appendix 1 proceed on an understanding of them being time-limited, and without creating dependency or ongoing need.
- 2.5 In recommending the use of the remaining Revenue Investment Funding as described in Appendix 1, officers will undertake further evaluation of each proposal before implementation, to ensure that it:
 - complements other initiatives and does not duplicate;
 - has a sufficiently robust evidence base to justify the intervention;
 - is an effective and justifiable use of the available funding;
 - maximises the scope for longer term sustainability;
 - has an appropriate exit strategy recognising that this is one off funding; and
 - undertakes an Equality Impact Assessment to ensure decision making processes are fair and no group is disadvantaged or discouraged from participating.

3. Environmental Implications

- 3.1 The link between cost-of-living pressures and climate change is highlighted in the Council's Sustainable Futures Strategy. Long-term key elements of the Strategy will be critical to providing options and alternatives to current cost-of-living challenges, particularly in relation to securing sustainable energy supply and pricing.
- 3.2 All initiatives and projects supported by the funding streams referenced in this report are assessed against the Council's commitments to reducing climate change and increasing biodiversity. The Council will not fund anything deemed to be at odds with these commitments.

4. Supporting Information

Existing support initiatives

- 4.1 A range of support initiatives for residents and communities, funded through the Revenue Investment Fund up to £1million, were put in place to cover winter 2022/2023, extending into spring and summer 2023, and some extending further still. These can be seen in Appendix 1, where comment is made as to their impact, effectiveness, value for money, and any lessons learnt. The initiatives fell into the six categories specified in the Cabinet report from October 2022.
1. Food poverty, including the extension of the community supermarkets (community pantries) proof-of-concept, support for food banks, and free school meals work.
 2. Fuel poverty, including support for warm hubs.
 3. Financial hardship, including investment in the Citizens Advice Telephony Service, and support for voluntary and community transport schemes.
 4. Keeping warm, including support for warm hubs, libraries' extended hours, and museums' extended hours.
 5. Information and advice, including the Warwickshire cost-of-living website, printed materials, broadcast advertising, and the November 2022 cost-of-living summit.
 6. Support fund: the Cost-of-Living Support Fund, which provided fast-track grants of up to £1,000 to local voluntary and community sector groups for projects and initiatives relating to cost-of-living support.
- 4.2 Appendix 2 provides an update from Citizens Advice on the new Telephony Service, referencing a 366% increase in telephone calls answered during the

service's first month of operation. Please note that names and certain other details have been changed to ensure anonymisation.

- 4.3 Appendix 3 contains case studies provided by Warwickshire Rural Community Council relating to some of the 80 plus community warm hubs established during winter 2022/23 as part of the charity's Winter Warm Hubs programme. Many of these hubs continue to operate and will play a crucial role during winter 2023/2024. Again, please note that certain details have been changed to ensure anonymisation.
- 4.4 Appendix 4 provides a list of the 98 recipients of funding from the Cost-of-Living Grant Fund, which provided quick turnaround grants of up to £1,000 for local voluntary and community organisations. In total £92,000 was awarded. In a first for the Council, each of the 98 awards came with a condition to link to the Family Information Service (FIS), reflecting the work of FIS in providing cost-of-living support to families, and the role of voluntary and community organisations in providing a conduit for this support.
- 4.5 Since April 2023, The Household Support Fund, providing help for the most vulnerable households around food, energy, and water bills, has provided:
- Cost-of-living payments to families/carers with children eligible for benefits related free school meals. In May 2023, automatic cost-of-living payments were issued: 19,392 eligible children and siblings were supported with £30 per eligible child for food support; total value £581,760.
 - Utilities support. In May 2023, £75 utilities' support payments were issued automatically to 11,406 households with children eligible for free school meals, total value £855,450. In June 2023, a countywide utilities campaign was open to Warwickshire residents by application, and an additional 1,049 vouchers were distributed with a total value of £78,675.
 - Welfare grants to community-led groups and initiatives with a total value of £107,740. Local projects have included essential hygiene products to families with new-borns, food hampers, slow cookers alongside support for healthy food preparation, essential home starter packs, and hot nutritious meals for vulnerable residents.

A round of automatic cost-of-living payments to families/carers with children eligible for benefits related free school meals took place in August 2023, and a further utilities campaign will take place in September 2023.

Further support initiatives over winter 2023/2024, and beyond

- 4.6 Any further range of local support initiatives must consider the national support measures that are in place and as described in Appendix 6.

- 4.7 Any further range of support initiatives must complement and add value to the allocation of the £6.94 million Household Support Fund grant between April 2023 and March 2024, as shown in Appendix 5.
- 4.8 In addition to investing in cost-of-living support initiatives, especially around the most vulnerable residents and communities, the role of the Council will continue to be one of convenor and coordinator of cost-of-living support across the County. Examples of this role include organising the cost-of-living summit in November 2022 and the upcoming cost-of-living event in October 2023, the Council's coordination of the multi-agency partnership group that has operated since November 2022, and the provision of frontline worker training for both internal and external (partner) staff.
- 4.9 The Council will continue to be evidence-led, both through data and the lived experience of communities and residents. It will target resource towards the residents and communities that need it most and allocate funding to optimise impact and deliver sustainable outcomes.
- 4.10 A further cost-of-living event in October 2023 will build upon the commitments to work collaboratively that came out of the cost-of-living summit held in November 2022, but with an even greater focus on practical delivery and outcomes for the most vulnerable residents and communities, strongly aligning to the countywide approach to Levelling Up and its core principles. The event, attended by representatives from across the public, private, and voluntary, community and social enterprise sectors, will take place at the CHESS Centre in Camp Hill, and will focus heavily on health outcomes and the importance of strong local economies in addressing longer-term cost-of-living changes.
- 4.11 Support initiatives over winter 2023/2024 will further embed a community-powered approach: involving communities and the wider voluntary, community, and social enterprise sector in decision making; working alongside communities to take practical action; and enabling communities to lead. The willingness and ability of communities to take the lead has been shown once again over the last 12 months, through the establishment of community-led warm hubs and other local cost-of-living support activities.
- 4.12 The Council will continue to work with partners beyond Warwickshire, such as Coventry City Council, the Coventry and Warwickshire Integrated Care Board, and the West Midlands Combined Authority, to align and amplify cost-of-living approaches wherever possible.
- 4.13 The Council's communications, messages, and engagement will be clear, concise, and accessible. They will evolve and build upon the success of the countywide shared website www.costoflivingwarwickshire.co.uk, as well as continuing to recognise the need for alternative communication and engagement methods including poster sites, broadcast advertising, and hard copy information.

4.14 Appendix 1 proposes a series of further, specific support initiatives over winter 2023/2024.

- There are repeat initiatives from winter 2022/2023, where these were effective and delivered a good return on investment.
- There are new initiatives reflecting identified gaps in support.
- Some initiatives from winter 2022/23 are not proposed to be repeated for winter 2023/2024, either because of changed circumstances, duplication with other initiatives, or because initiatives from winter 2022/2023 continue to cover winter 2023/2024.
- Funding to continue the Community Supermarkets (Community Pantries) beyond the end of March 2024 is not intended to be covered by the remainder of the Revenue Investment Funding and is subject to ongoing work on options to sustain the facilities.

4.15 The following table consolidates the proposed initiatives and internal support costs from Appendix 1.

Proposed initiative / internal support costs	Value
Food bank support fund	£30,000
Additional volunteer coordinator capacity, libraries	£15,000
Extend library and museum activities as warm hubs	£33,000
Further support for “You Can Online” project (laptop lending)	£20,000
Warwickshire Rural Community Council’s “Winter Warm Hubs”	£30,000
Voluntary and community transport, medical and social journeys	£50,000
Cost-of-Living event October 2023	£5,000
Free school meals promotion work	£5,000
Family Information Service, Tackling Social Inequalities post	£40,000
Subtotal initiatives	£228,000
Marketing and communications	£3,750
Legal	£1,000
Business Support	£2,000
Communities and Partnerships	£7,500
Subtotal internal support costs	£14,250
Total	£242,250

4.16 In total, £242,000 of the remaining £268,000 is proposed to be allocated. This will leave a further £26,000 to be allocated in response to emerging pressures over winter 2023/2024, and if needed.

4.17 Sitting alongside the proposed support initiatives:

- The Warwickshire Food Strategy, approved by Cabinet in April 2023 and assisted by the countywide Food Forum, is expected to provide a shared, collaborative approach and a plan of action which agencies across the

sectors can commit to with key priorities for the short-, medium-, and longer-term. The Strategy aims to deliver a shared approach to better learning and understanding the root causes of food poverty and the cultural needs around food. This will enable us to decide and implement the highest-impact interventions. The Food Strategy and its Delivery Plan is accompanied by a £120,000 budget approved by Council in February 2023.

- The Warwickshire Financial Inclusion Partnership continues its aim of “Minimising the likelihood and impact of financial exclusion in Warwickshire through the provision of advice, support and project delivery in a co-ordinated manner that demonstrates value for money, builds financial resilience and maximises benefits to the communities of Warwickshire.” The Partnership has been successful in delivering targeted interventions since its inception in 2008. Partnership activity has focussed on issues relating to child poverty, food poverty, affordable credit, affordable warmth, and welfare reforms / Universal Credit.

Support for businesses

4.18 The Council’s Economy and Skills Service will continue to support businesses.

- The Small Capital Grants’ Programme, digital and creative grants, and working with intermediaries to provide advice and support to businesses.
- Exploring the potential of utilising the Warwickshire Recovery and Investment Fund to provide finance for investment in energy efficient and low-carbon equipment.
- Working with Coventry City Council to promote the Coventry and Warwickshire Green Business Programme and establishing the Council’s own Green Recovery Grant Scheme aimed at the retail, hospitality, and leisure sectors. This has provided free energy audits to 42 businesses and provided grants to six businesses towards the costs of energy efficiency improvements and low carbon adoption.
- The new Business Resilience Programme being commissioned in partnership with the Borough and District Councils, using funding from the United Kingdom Shared Prosperity Fund. This will support businesses to tackle the impacts of existing and emerging events such as the Pandemic, cost-of-living pressures, Brexit, and the war in Ukraine.

Longer-term support

4.19 The Council’s Community Powered Warwickshire programme will be an essential part of the response to longer-term cost-of-living pressures.

- 4.20 The countywide approach to Levelling Up in Warwickshire, approved by Cabinet in July 2022, is a fundamental part of the Council's longer-term response to cost-of-living pressures. The approach aims to tackle longstanding inequalities and disparities by working collaboratively with partners to focus effort on priority communities and places whilst recognising and protecting the strengths of other areas across the County. A key part of this work, already underway, is to develop local Levelling Up Plans with each Borough and District and Council, and a series of pilots to test different approaches to tackling inequality and disparity in a community-powered way.

5. Timescales associated with the decision and next steps

5.1

- Deliver the further support initiatives described in Appendix 1 (September 2023 to March 2024).
- Work with partners to further evolve the Warwickshire cost-of-living website, and progress other shared communications activities (September 2023 to March 2024).
- Organise the cost-of-living event for October 2023.
- Ongoing work on options for the sustainability of the Community Supermarkets (Community Pantries) beyond March 2024 will come forward for consideration over Autumn 2023.
- Continue to work collaboratively with partners such as the Borough and District Councils, Health, Town and Parish Councils, and voluntary, community, and social enterprise sector organisations to ensure a coordinated offer supported by joined up delivery mechanisms and appropriate signposting to services (September 2023 to March 2024).

Appendices

1. Appendix 1 - Existing and proposed support initiatives.
2. Appendix 2 - Citizens Advice Telephony Service update.
3. Appendix 3 - Warwickshire Rural Community Council Winter Warm Hubs Programme, case studies.
4. Appendix 4 – Cost-of-Living Grant Fund recipients.
5. Appendix 5 - Household Support Fund grant allocation April 2023 to March 2024.
6. Appendix 6 – Statistical background and national support measures.

Background papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): None

Other members: Cllrs Adrian Warwick, Parminder Singh Birdi, Sarah Boad, Sarah Feeney, and Will Roberts.