

CABINET – 13TH OCTOBER 2022

Report of the Chief Executive Lead Member: Councillor Jonathan Morgan (Leader)

Part A

COST OF LIVING SUPPORT TO COMMUNITIES AND BUSINESSES

SUPPLEMENTARY REPORT

Purpose of Report

The purpose of this report is to set out the Position Statement about the cost of living referred from Council to Cabinet.

Recommendation

To consider the detail of the Position Statement considered at Council on 5th September 2022, and whether Cabinet consider that the other recommendations set out in the report of the Chief Executive constitute an appropriate response to this issue.

Reason

To enable the Cabinet to decide whether the recommendations set out in the report of the Chief Executive represent an appropriate response to the Position Statement referred to them by Council.

Policy Justification and Previous Decisions

At its meeting on 5th September 2022, the Council considered a Position Statement about the cost of living submitted by the Labour Group. The Position Statement is attached as an Annex.

An extract from the Council minutes which details the Council's consideration of the matter is set out below.

“51. COST OF LIVING

The Labour Group had given notice of a position statement on the Cost of Living (item 8.1 on the agenda filed with these minutes).

The following points were raised by Councillors:

The Leader introduced the Position Statement on the Cost of Living by stating that everyone was aware of the rising energy costs as a direct impact of the Russian invasion of Ukraine. He stated that the Ukraine had the full support of the Council, and that the issues regarding energy prices would not end soon. He stated that the new Prime Minister would need to be bold and stated that locally the Council would do everything possible to support the Government's plan when it is announced. He went on to confirm that the Council would support local partners to help residents and businesses across Charnwood.

Officers had been working on a plan and comments made at the meeting would be fed through to officers to help produce a report to Cabinet. The Leader intended on including the Position Statement on the Cost of Living with the report to Cabinet.

The Leader continued by highlighting that the Council's Medium-Term Financial Strategy was likely to include £1.3m in spending to cover staff and energy costs.

The Council had created a comprehensive support website. The Leader finished by reiterating that the impact of the Ukrainian invasion would be lasting and that support locally, nationally and internationally would need to focus on residents and businesses and be sustainable for the long term.

Councillor Miah stated that he believed councillors had a responsibility to ensure residents were supported. He stated that the new Prime Minister would ultimately decide the larger plan, but he would like to see the most vulnerable members of the community receive support. Councillor Miah referred to the financial reserves held by the Council and suggested that these be utilised to support residents.

Councillor Parton referred to the Local Government Associate (LGA) website which included a cost of living hub, containing information on best practice from councils across the country in terms of aspects such as food insecurity and poverty and fuel and energy. Councillor Parton went on to say that Charnwood Borough Council's website included much of the support which was considered best practice by the LGA. He referred to the strong emphasis on mental health that Charnwood Borough Council's website included and thanked Council for this approach.

Councillor Hamilton also highlighted the reserve funding of the council and stated that this funding could be used to support voluntary and community groups to increase the resources available. Councillor Hamilton suggested introducing a discretionary fund to support residents facing financial hardship, using the eligibility criteria of Leicestershire County Council.

Councillor Barkley referred to the financial reserves of the Council and stated that £13m had already been earmarked towards projects. He stated that the working balances were £6m and within three years, this would be reduced to £2m, which was the minimum required by the Council. He stated that the incoming Government were aware of the cost of living and all members of the council and community were impacted by the Ukrainian invasion and increased energy prices. He stated that the Council would do everything possible to support residents and highlighted the existing discretionary funding available to residents, including discretionary housing benefit and Council Tax relief.

Councillor Poland stated that he had had discussions with officers about ways the Council could support residents. He highlighted that the Council employed a number of Financial Inclusion Officers whose role was to support residents with financial difficulties. Councillor Poland urged any residents to seek support from the Council if they needed it.

Councillor Forrest commended the Council for committing to reinstate with its partners the Charnwood Community Action group to help coordinate the response to cost-of-living pressures. She asked what Community Action Groups would be asked to do and

how much money they would be provided with in order to undertake these tasks? Councillor Forrest also suggested that the Council supported organisations to facilitate 'warm banks' for residents to attend to socialise in a warm environment.

Councillor Draycott suggested that the Council supported food banks prior to the upcoming winter months. Councillor Draycott highlighted the eviction-free period adopted during the Covid-19 Pandemic and suggested that this be reconsidered. She also echoed Councillor Forrest's suggestion regarding the provision for 'warm banks'. Councillor Draycott felt that food banks and warm banks should be mapped and that information on these facilities should be communicated through various channels.

Councillor Grimley stated that he had received good feedback during the Covid-19 Pandemic regarding the efficiency of the financial payments administered by the council. He said he hoped that any Government support offered could be administered in the same efficient way.

Councillor Mercer thanked Councillor Miah for raising the issue and stated that the Council was already working to help support residents with financial difficulties. He encouraged members to provide any further ideas to the officer team.

Councillor Seaton stated that councillors were able to encourage residents and community groups to undertake the support of the Council and other resources in local areas such as food banks.

Councillor Goddard highlighted the desperation of some of the residents in local communities. She asked when community centres would be consulted on what was required of them and when the energy study outlined in a report referred to Cabinet would be complete?

The Leader thanked all of the members that had participated in the discussion and stated that the discussion had demonstrated the passion and commitment of all of the members of the council. The Leader thanked Councillor Miah for raising the issue and stated that work was already being undertaken by officers to help alleviate the coming pressures. He echoed what Councillor Parton had said about the high standards of work that the Council had undertaken and stated that the Council was often cited as demonstrating best practice. The Leader emphasised that residents were encouraged to seek support from the Council and its partners.

He stated that the submission of a Cabinet report on the cost of living would include a pre-decision review by the Scrutiny Commission prior to a decision being made and that the process would be undertaken as quickly as possible.

The Leader also emphasised that supporting local businesses was key in order to ensure the Borough moves through the issues raised. He confirmed that the Council would work equally as efficient as they did during the Covid-19 Pandemic.

It was proposed by Councillor Morgan, seconded by Councillor Barkley, and

RESOLVED that the Position Statement be referred to the Cabinet for consideration.

Reason

To enable the Cabinet to decide how to respond to the issue appropriately.”

Implementation Timetable including Future Decisions and Scrutiny

Detailed in the substantive Cabinet report.

Report Implications

The following implications have been identified for this report.

Financial Implications

Detailed in the substantive Cabinet report.

Risk Management

Detailed in the substantive Cabinet report.

Key Decision:	Yes
Background Papers:	None
Officer to Contact:	Rob Mitchell Chief Executive 01509 634600 rob.mitchell@charnwood.gov.uk

ITEM 8 - POSITION STATEMENT – COST OF LIVING

The Labour Group have given notice of the following Position Statement to be presented at the meeting:

“This winter, residents in Charnwood face a perfect storm of price rises which will hit those on low incomes, particularly pensioners, families, those with disabilities and other health issues. Of particular concern is the increase in utility prices.

Gas and Electricity price caps have already increased by 54% in April to £1971 pa for an average household and are forecast to rise another 82% in October to £3582 pa, with further rises expected in January 2023.

By the autumn, living costs could have risen by as much as 14% for low-income families, whilst the support they receive has only risen by 3%. Families with two children will face a shortfall of at least £1,600 – a staggering sum of money that many families simply don't have.

The Labour group asks for a position statement from the Conservative administration on how they are going to directly assist the residents of Charnwood”.

RESPONSE:

There are very significant economic and social pressures resulting from the international and national economy especially in relation to inflation. These come on the back of other pressures relating to workforce and supply chain disruption. The effects of which will impact not just on Charnwood residents and businesses but also on the council's finances as the cost of running services and the demand for services increase. The impact of the inflationary pressures on food and fuel are more likely to affect those who are vulnerable and lower income households. An internal officer group was established in the summer to consider the following:

- 1. How the issue was presenting at a service level and for partners in the voluntary sector*
- 2. What support CBC currently provides*
- 3. What support partners currently provide*
- 4. What other Councils are doing or planning to do*
- 5. Consider options for adaption to services, policies or investment in projects or services*

The officer group is meeting again on the 6th of September and will be making some recommendations later in September with a Cabinet report expected in October 2022.

Listed below are some of the existing and potential support for residents. Council officers are planning to reinstate the Charnwood Community Action Group as an umbrella partnership to help co-ordinate public and voluntary organisations responses. It is also likely that the Cabinet will be recommended to release funding from reserves to support voluntary and community groups to increase their resilience over the winter and or to deliver schemes that support residents. The proposals are likely to focus on food and fuel poverty. There may also be a need to invest in service areas such as housing needs given the increasing demand we are likely to see. It will be very important to understand what the Government does in regard to direct support particularly in relation to the cost of energy. We need to be clear that Charnwood Borough Council is not able to significantly affect these issues which are of national scale and impact.

Council Tax and Housing Benefits - Actions to support financial hardship:

Council Tax payments can be spread over 12 months not just 10 to help customers reduce their monthly payment making this more manageable

Both Council Tax Support and Discretionary Council Tax support are available to customers facing financial hardship that meet the eligibility criteria. This can provide up to 100% relief for their Council Tax. Applications can be made online or where a customer needs extra support an appointment can be made to see an officer face to face

Where customers are struggling to make payments the Council actively encourage them to get in contact so we can discuss the situation, signpost to any help that maybe available or make a suitable arrangements for payment within set parameters and criteria.

Discretionary Housing Benefits can provide a top up to those customers already in receipt of Housing Benefit or the housing element of Universal Credit where their payment does not cover their full rent. In some circumstances the fund can provide 'rent in advance' and 'rent deposit' for people moving into a different property.

The Housing Benefits team work closely with the tenancy support teams to ensure applications are submitted where necessary for our tenants that will help the customers and maximise rent collection. Non housing tenants can receive help with applications for this fund if required through our Customer Service Team.

Council Tax Energy Rebate payments both for the main scheme and the discretionary scheme have all been completed or

vouchers sent to customer to collect their payments. Where payments aren't collected. The value of the payments is being credited to their Council Tax account in line with the guidance.

Council housing rent - The Council's approach to the prevention and recovery of rent arrears is based on early intervention and the targeting of support at the most vulnerable. The Council has a dedicated tenancy support and financial inclusion team, consisting of 6.8 full time equivalent officers providing direct support to Council tenants through the provision of information, advice, and support on money, benefits, and debt.

Energy efficiency

The Council has signed the Green Living Leicestershire ECO4 Flexible Eligibility Statement of Intent (SOI). This statement sets out the Green Living Leicestershire partnership's flexible eligibility criteria for the Energy Company Obligation (ECO4) scheme from April 2022 - March 2026. The Council will work with Leicestershire Authorities under the partnership to deliver projects supporting energy efficiency, sustainability, and wider net zero goals. The ECO4 scheme will focus on supporting low income and vulnerable households. The scheme will improve the least energy efficient homes helping to meet the Government's fuel poverty and net zero commitments. The Council is also a member of the Sustainable Warmth Housing Subgroup. Residents can sign up to the Warm Homes Newsletter to be notified of future funding rounds and the latest advice and information supporting affordable warmth at home. The link to the newsletter can be found on our website.

The Council has already delivered large scale, fabric first, cavity and external wall insulation projects at its own housing stock around a decade ago, targeting the worst performing properties first. Savills UK has been appointed to undertake a high-level energy study to identify any further opportunities to improve the energy efficiency of our housing stock. New, more energy efficient, boilers have been installed at Council properties, and information around how householders may adjust their boilers to maximise efficiency has been placed on the Council's website and will be communicated to tenants directly through the Autumn tenant magazine

Working with the voluntary and community sector

The Council already plays a key role in supporting and enabling the voluntary and community sector to support residents. The Council will reinstate with its partners the Charnwood Community Action group to help co-ordinate the response to cost-of-living pressures and in particular food and fuel poverty.

The current/next Charnwood Grants round will prioritise applications that help respond to the cost-of-living issues.

The Council already provides funding to a range of voluntary groups through its strategic partner funding stream which includes organisations like Citizens Advice Bureau. Further grants or funding are likely to be made available to support the voluntary and community sector in their work to help vulnerable households following a Cabinet report in October 2022.

The Council supports several community hubs which are providing drop in access for residents to get advice and guidance. We are also a significant partner of the Your Store which is continuing to take new customers and now includes hubs in Loughborough, Mountsorrel and Shelthorpe. In addition, the Council are actively involved in the Charnwood Food Poverty network and support a range of food banks and services to those in need.

Businesses

The Council is also concerned about the effect on local businesses and in particular small businesses who will be affected by the energy price rises and wider inflationary cost pressures. The Council is likely be part of delivering any support from national government as it was in the pandemic. We will also ensure that we provide advice and signposting to other support working with partners like the BID, FSB and Chamber of Commerce.

Signposting and communications

The Council has created a dedicated webpage (www.charnwood.gov.uk/costofliving) to signpost customers to a range of different agencies which may be able to help those needing further support. For example, the page has links to advice on issues including budget and debt advice, financial support, housing, food provision and welfare and mental health support.

The communications team are sharing the page via the Council's social media channels and email alerts and have shared it with staff. The Council is also sharing on its channels information from the Government's Help for Households campaign which has a range of information for people concerned about the cost of living and where they can get help