

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/22/3
FROM: Cllr Mary McLaren, Cabinet Member for Communities and Wellbeing	DATE OF MEETING: 08.06.2022
OFFICER: Nadeem Murtuja, Assistant Director for Communities and Wellbeing	KEY DECISION REF NO. CAB343

COST OF LIVING REPORT AND ACTION PLAN

1. PURPOSE OF REPORT

The purpose of this report is to provide a phase one 5 Point Plan covering the next 6 months to respond to the emerging Cost of Living Crisis.

- 1.1 A phased approach is being taken due to the potential challenges ahead that cannot be fully predicted at the present time given the global challenges, market volatility, rising inflation and the everyday changing landscape regarding people's household budgets. This plan will therefore be kept under review and also refreshed in the autumn in preparedness to tackle winter pressures.
- 1.2 This plan is not intended to fully plug the financial pressures in the personal budgets of people, instead it focuses on two things, firstly to provide the best possible support to cope with cost of living issues through a variety of interventions at our disposal, and secondly to prevent people from falling into crisis through measures that will encourage wellbeing, self-enablement and community resilience.
- 1.3 Predictions from a range of think tanks, including ONS is that living standards will significantly fall and the Bank of England has warned that inflation could rise to 10% and the country could enter a recession. There are a wide variety of factors, including the war in Ukraine, market volatility, costs associated with supply chains and inflation rates, which will all have a cumulative impact on residents' lives, including our own workforce and that of our partners.
- 1.4 The interventions that we are proposing are only a starting point. They are mainly outward facing, however, where appropriate, they are also targeted at our own workforce.
- 1.5 By thinking ahead now in terms of people's needs, and how we respond, provides both the Council with the ability to further adapt our own service delivery infrastructure to meet the likely emerging needs that we cannot fully predict yet, underpinned with the aim of maintaining optimum service delivery for those areas that we are responsible for.
- 1.6 Working in partnership with Suffolk County Council and other system wide partners, under a principle of collaboration (as per the Overview & Scrutiny recommendation), coupled with building on the work that we have already implemented, will enable us to maximise all the levers at our disposal to respond to the emerging crisis that will

impact on all people in our District differently – ranging from anxiety and isolation to economic impacts.

2. OPTIONS CONSIDERED

- 2.1 To rely on just Government support and co-ordinate that activity and hope people can find their own solutions.
- 2.2 To pull together a bespoke plan that will provide residents and our workforce with assurance and confidence that they are not alone and that the District Council will utilise all levers available to connect systems to support people with advice and support on the cost of living issues. Alongside this, recognising that key to any recovery related to the emerging crisis is to maintain wellbeing under the principles of prevention, empowerment, self-enablement and activities that build community resilience, so that people at a locality level can support each other too.
Recommended.

3. RECOMMENDATIONS

- 3.1 Agree the 5 Point Plan attached at Appendix One.
- 3.2 Delegate to the Assistant Director for Communities & Wellbeing in consultation with the Cabinet Member for Communities to keep this Plan under review and to update this in response to emerging need.

REASON FOR DECISION

Provides assurance and confidence, ensuring that well established systems intra-connect to respond to the emerging needs of people through effective co-ordination and service delivery. The plan includes a range of measures that focus on providing advice and support, maintaining people's good health, building on the investments the Council has already made since the launch of the respective Communities and Wellbeing strategies and bringing forward an initial suite of interventions that will help improve the system long term, including the appointment of a Cost-of-Living Co-ordinator.

4. KEY INFORMATION

- 4.1 The emerging cost of living crisis will impact on some people and communities more than others, further exacerbating inequalities that people were already experiencing as a result of the pandemic.
- 4.2 In March the Office of Budget Responsibility predicted that UK living standards will fall at their fastest rate since the 1950s and it will take until at least 2024 to return to pre-covid levels. It said that the fall in 2022-23 would be the biggest in a single financial year, since modern records began in 1956-57, and that it would take until 2024-25 for inflation adjusted living standards to return to their pre-pandemic levels. They predicted that disposable income would fall by 2.2% in 2022-23 as earnings from work fail to keep up with soaring inflation.
- 4.3 The Bank of England in early May predicted that the country risks entering into a recession and that it has seen inflation rising to a 40 year high, potentially above 10% by the year's end, when a further energy price cap is expected to be implemented.

- 4.4 The National Institute of Economic and Social Research estimates 1.5m British households, one in 20, will soon face bills for food and energy which will exceed their disposable income after housing costs. It also forecasts the country could enter a recession at the latter end of this year, thus the need to refresh this plan in the autumn.
- 4.5 A survey by the consultancy firm BritainThinks found the cost of living was now the dominant concern for UK households, with 90% worried about the effects of rising prices. The report suggested that 10% of people were already struggling to stay afloat.
- 4.6 Other similar studies, such as the one conducted by Shawbrook Bank showed that 18% of people were already losing sleep over the issues and that managing their finances was the leading cause of stress.
- 4.7 Sudbury & District Citizen's Advice works closely with foodbanks in the district. A report on food bank usage showed that:
- Demand for food parcels in 2021 was double what it was in 2019 before the pandemic.
 - Most food parcel referrals were for single people, yet the number of food referrals for families with children has trebled between 2019-21.
 - Almost half of people who asked for a food parcel had a disability or long-term health condition.
 - the main issues faced by those seeking support from foodbanks were associated with benefits and debt.
- 4.8 Coupled with the above, the cost of oil has also spiralled and is affecting circa 1.5m households across the country, often but not exclusively those that live in our rural areas.
- 4.9 The CAB in Sudbury & District has been provided with a one-off in-year 30% uplift in their grant to maintain capacity and operations to deal with the emerging demand.
- 4.10 The most recent performance dashboard from Health colleagues in April found that more than 50% of Social Prescribing referrals from primary care in the Suffolk-wide system were now for welfare support, debt management and advice reasons.
- 4.11 Concerns are also being expressed that people who live independently or in care homes will be adversely affected if they stop receiving visits from relatives and friends, which is likely to cause other impacts in the system. Think tanks are already reporting that people are travelling less due to the soaring cost of fuel.

The number of children and young people reliant on free school meals in Babergh is 1814.

Free School Meals is recognised by most as a key national indicator for poverty and it is likely that these families will be affected disproportionately, coupled with those on low household incomes.

- 4.12 The impact of Covid has resulted in all organisations having to rethink and digitise their operating models and that has also impacted on how consumers use services. This has in effect provided extra resilience in the system for it to be more rapid, agile and respond to people's need on the issues that are affecting people's lives.
- 4.13 Anecdotally the system is beginning to pick up evidence that the emerging crisis is now having an impact on residents and this also includes feedback from elected Members.
- 4.14 Our view is that focusing on cost of living issues alone will not mitigate against the health impacts that have already been exacerbated by the pandemic, so we need to focus on people's wellbeing too. We are therefore taking a two-pronged approach as outlined in the attached action plan: a) support and advice to deal with the cost of living issues; and b) supporting people to maintain/take responsibility for their own wellbeing. These are areas and systems that we have already invested in, both from a strategy and financial perspective.
- 4.15 It is important to note that it will be necessary to apply discretion to support people and prevent them falling into crisis and this should not be seen or promoted as a universal offer. Discretionary policy implementation is not new to local government and would be operated within the context of local pre-agreed criteria, where these are not set externally.

We have been working with the CAB at a locality level and as a result we believe we are amongst the first Districts in the country looking to appoint a specific post that will focus on cost of living – titled Cost of Living Co-ordinator. This post will build on the substantial operations we already have in place including customer services, housing and welfare support and external partnerships to ensure that partners are talking to each other in meeting people's needs. In exceptional circumstances this post will also provide a case management function that focuses on delivering appropriate outcomes for people and their families at the cusp of crisis. The post will work across both Babergh and Mid Suffolk and will be funded by a payment received by the Council from DLUHC.

Recap of the work we have been undertaking

- 4.16 The County Council are bringing together a range of stakeholders from across the districts to form a Poverty Board. This will help us to bring resources, understand issues and implement joint initiatives to manage the impact of the emerging crisis.
- 4.17 We therefore already have well established systems to provide support and advice to build on. The Council provides funding to Sudbury & District CAB with a rolling 3-year core grant provision to ensure there is longevity in providing support to people; this complements current housing/welfare support provision within the Council and the circa 30% one-off in year uplift to CAB in response to increased demand for the service, which will undoubtedly continue to rise further as the impact of the cost of living crisis is felt even more deeply by households. As with all organisations receiving grants, the CAB will be expected to use these funds in the most efficient way to meet the expected outcomes.
- 4.18 Through our tenancy support management, our approach is one of support first. Income Officers look at each tenant individually, assessing their wider situation rather than just rent owed. This may involve signposting to other agencies that can assist,

such as CAB or referring to our in-house Tenancy Support Officers, who can help with maximising income, budgeting and negotiating with creditors.

- 4.19 We joined the Suffolk Information Partnership (SIP) initiative, led by Suffolk County Council across Customer Services and Housing to ensure that we are able to securely make referrals to over 70 statutory and voluntary organisations.
- 4.20 As part of our Shared Revenues Partnership we make best use of the Discretionary Housing Payment budget, which supports customers whose rent is restricted due to the Local Housing Allowance, Bedroom Tax or Benefit Cap.
- 4.21 Our Council Tax Reduction Scheme offers up to 95% reduction in Council Tax for working age residents and 100% reduction for pension age residents.
- 4.22 New tenants that have homes as part of our own housing stock are called by their rent officer within the first 2 weeks of their tenancy. This identifies issues and provides greater support to tenants at an earlier stage. This is beneficial as it builds rapport and tenants know who to go to should they get into difficulties with their rent. It also means the Council can assist with benefit claims earlier on or help with referrals for debt. This support also includes utilisation of the Household Support Grant.
- 4.23 Alongside positive interventions locally to support people to cook healthier meals, the Department for Education have committed to three years' funding for the Holiday Activity and Food (HAF) Programme which provides free activities and meals during school holidays to young people who are eligible for free school meals. Our officers are coordinating this programme, making sure that it is available to those families most in need. The Family Park Cooking sessions are a great example of this whereby families are encouraged to cook inexpensive, healthy meals together and minimise food waste.
- 4.24 We will be looking to expand our social prescribing offer/model to include additional partners so that we are able to support our residents to maintain good health, whether that be use of our green spaces or having affordable access to leisure provision.
- 4.25 We will continue to explore with our partners how we can address issues like isolation and loneliness by considering interventions such as a discretionary travel voucher scheme in appropriate circumstances where there is hardship. In essence we will continue to monitor the crisis and respond accordingly.

The 5 Point Plan

- 4.26 The measures we are bringing together, and introducing, can be listed under the following 5 Points:

Cost of Living:

- 1) Co-ordinating Government Support to ensure it reaches those people who need it.
- 2) Exercising discretion when providing welfare support and advice to support those people who could potentially fall on hard times.

- 3) Maximise partnership working and established systems to provide targeted support in localities where there is a particular trend and need, implementing a targeted ‘family-first approach’.

Preventing Crisis:

- 4) Maintain Good Health – whether that be referrals for mental health support, discounts at our gyms and swimming pools, promotion of free local exercise activities and sports clubs, engaging in community-led “wellbeing” initiatives, volunteering and socialising via local initiatives.
- 5) Access to food and nutrition – whether that be participating in healthy eating exercises/initiatives, organising a community garden to grow produce, setting up a Community Larder or providing extra support to local food banks to meet any unmet need.

6) LINKS TO CORPORATE PLAN

- a. The joint Corporate Plan is designed to address the challenges and provide opportunities for the wellbeing of our communities. Its vision is to have ‘Great communities with bright and healthy futures that everyone is proud to call home’.
- b. The joint Corporate Plan is underpinned by six strategic priorities. The 5 Point Plan seeks to support ambitions that cut across all six strategies.

7) LEGAL IMPLICATIONS

- a. There are no legal implications associated with this report.

8) RISK MANAGEMENT

Risk Description	Likelihood	Impact	Mitigation Measures
Those most vulnerable and in most need do not receive the support they need	Medium	High	Co-ordinating and promoting Government support to ensure that available help gets to those people who need it. Exercising discretion when providing welfare support and advice to support those people who could potentially fall on hard times.
Support provided to our communities and those most in need is not	Medium	High	Maximise partnership working and established systems to provide targeted support in localities where there is a particular trend and need, implementing a

sufficient, aligned or coordinated.			targeted 'family-first approach'. Appointment of a dedicated Cost of Living officer to co-ordinate work and maintain strong partnership arrangements.
The impacts of the Cost of Living Crisis reduces the overall wellbeing and resilience of our communities	Medium	High	Continued support for communities to maintain good health – whether that be referrals for mental health support, discounts to our gyms, engaging in community-led “wellbeing” initiatives, volunteering and socialising via local initiatives. Continued support for communities to access food and nutrition – whether that be participating in healthy eating exercises/initiatives, organising a community garden to grow produce, setting up of a Community Pantry or providing extra support to local food banks to meet any unmet need.

9) CONSULTATIONS

- a. A number of Member briefings have already taken place where the 5 point plan has been shared, most recently at an all Member briefing on 28th April 2022.
- b. Discussions have also taken place with partners including Health Partners, advisory services and the Suffolk Collaborative Communities Board.
- c. There have been internal officer discussions with the Senior Leadership Team, Finance, Housing, Shared Revenues Partnership, Communities and Customer Services.

10) EQUALITY ANALYSIS

- A. There is no requirement to complete an EQIA at this time. The plan is intended to tackle and prevent inequalities and these will be monitored by the pulling together of the data set under point 2 of the plan.

11) ENVIRONMENTAL IMPLICATIONS

- a. There are no environmental implications directly associated with this report.

12) FINANCIAL IMPLICATIONS

- a. Costs and funding for each task are set out in the action plan. At this stage, the action plan does not require additional funding from the council over and above that already set aside in the budgets for 2022/23. The availability of the range of external funding sources referenced in the action plan at Appendix One of this report, including the new Cost of Living Co-ordinator post, is noted.

13) BACKGROUND DOCUMENTS

Meeting pack for Suffolk Health and Wellbeing Board Agenda – 12 May 2022 (with specific note to the cost of living report, including tackling poverty action plan) [Meeting Documents - Committee Minutes \(suffolk.gov.uk\)](#)

14) REPORT AUTHORS

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