



Cabinet

13th July 2022

Report of: Cllr Malise Graham MBE (Portfolio Holder for People and Communities)

Cost of Living: Supporting our community

Corporate Priority:	Excellent services positively impacting on our communities
Relevant Ward Member(s):	N/A
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No
Key Decision:	Yes
Subject to call-in:	Yes

1 Summary

- 1.1 Increases in costs such as fuel, energy and day to day living costs are impacting on households across the country. The Council is concerned about the increased cost of living and associated financial resilience and wellbeing of communities across Melton.
- 1.2 Whilst there are some measures to mitigate the impacts being implemented at a national level, it is important that the Council also considers how it can advise and support households and communities across Melton.
- 1.3 There are things that need to be considered now, and things that the Council will need to consider over the next few months. To support a focus on this and to guide the Council's response, a Cost-of-Living Plan has been developed.
- 1.4 The Council's response will need to be evidence led, and dynamic to be able to respond to the needs and changing needs of its communities. It requires a corporate response across a range of teams and will require engagement and links with key partners and our communities.
- 1.5 This report provides a current position update on things that are currently in place and provides an overview of the work proposed next as part of a Cost-of-Living action plan. A further update will be provided to Cabinet in October 2022.

2 Recommendation

That Cabinet:

- 2.1 **Note the contents of the report and endorses the proposed areas of focus and associated programme of work to mitigate the impacts of cost-of-living increases.**
- 2.2 **Notes and endorses the work the Council will do with partners to secure additional external funding and deliver appropriate community support, for example through the UK Shared Prosperity Fund.**

3 Reason for Recommendation

- 3.1 Cost of living increases are impacting households across the country. The Council is concerned about the impact on households and associated financial resilience and wellbeing of our communities.
- 3.2 Whilst there are some measures to mitigate the impacts being implemented at a national level, it is important that the Council also considers how it can advise and support households and communities across Melton.
- 3.3 The Council will need to be dynamic in its response in response to local need and impacts.

4 Background

- 4.1 It is expected that cost of living increases will impact many households. Teams across the Council have worked together to consider what we are concerned about, and who may be most affected by / disproportionately affected by the Cost-of-Living crisis. These include:

What:

- Households in fuel poverty: defined as those with high fuel costs and low incomes. Particular concern for rural areas where the price gap is higher, with key challenges being fuel types and older properties
- Impact of rising energy costs (energy cap increases April and October 2022)
- Challenge of quality and thermal efficiency of a concentration of some privately rented properties (older properties, poorly managed, low thermal efficiency)
- Risk of households needing to choose whether to 'heat or eat' – demand for time limited LCC household support grant for food and fuel vouchers
- Increased complexity of households being referred to the case management team and waiting list for lower need cases – need for rapid advice and intervention to prevent escalation of needs
- Vulnerability of a low skill, low pay economy
- MBC Non-Traditional build properties, low EPC ratings
- Increased rent and council tax arrears
- Rural poverty – greatest impact, cumulative impact

- Tenants without contents insurance – financial resilience
- Impacts on mental health, wellbeing and resilience
- Affordability of household items and white goods
- Increased risks of household stress, relationship breakdown, safeguarding risks
- Risk of high interest loans / debt
- Transport in and out of Melton – cost of travel, accessibility of travel – particularly in rural areas
- Potential for increased demand and long-term dependency on food banks

Who:

- Those households who are ‘just about coping’ and not known to our services (and who may not ordinarily interact with us)
- Those for whom the increased costs will change lifestyle disproportionately – unable to make direct debt commitments for example. Those at risk of moving into poverty
- People without access to facilities such as post office, local shop, transport
- Residents who may experience language barriers
- Health and Housing: Residents who are dependent on warm homes or use of electricity (e.g., ventilation) for health reasons
- People on variable rate mortgages – financial resilience
- Single people eligible for single room rate only / rent affordability
- Older people reliant on pension arrangements

4.2 A Cost-of-Living Action Plan has been developed. It is a live document which is evidence based and will need to be continually updated and adapted to reflect the needs of communities across Melton. The action plan is a corporate piece of work spanning multiple teams and linking with a range of partners. It is split into three thematic areas:

- Insight and evidence:** Looking at ways to understand risks and potential impacts across our communities. Looking at existing data sources but also to find ways to capture data and insights in real time to understand how the pressures are impacting our communities right now. Using feedback, evidence and insights to shape our and inform response including to provide an evidence base for future project or funding applications.
- Communication and information:** In recognition of the importance of clear and accessible information and communication, and the need for a range of communication tools and methods. Understanding how hard it can be to navigate multiple sources of information and seeking to help households find and access the information and support they need. Consideration of how the #Here4Melton branding could support a campaign-based approach to raising awareness of support available to help people with the cost of living.
- Support:** To ensure that households that need support know where to find it and to do all that we can to provide or facilitate support those who need it. To consider how we

can work with partners to support households across Melton. To learn from good practice and to review the impact and accessibility of support.

5 Main Considerations

5.1 An update on activity as part of the Council's cost of living response since May 2022 is included below:

Insight and Evidence

- We have added two additional (optional) questions to our customer feedback tool, Gov Metric to understand how cost of living increases are impacting our customers. Since 9th June 312 people have responded to total respondents to the survey (see section 5.2 for further details)

Communication and Information

- A new web page has been created with links to information, advice and support that can help people with the increased cost of living. Initial social media posts in place. See: [Cost of living – Melton Borough Council](#)
- A new section (tab) has been added to the Council's self-serve portal (My Account) on cost of living, with links to a range of information and support
- Through the Council's social media pages, we have promoted activities and support available over the school holidays (for example, Holiday Activities and Food Programme – HAF)
- An email banner has been created for staff to use, to raise awareness of the Cost-of-Living webpage during correspondence including with residents and stakeholders

Support

- We have created a direct referral form to our case management team to provide advice and assistance to anybody who is struggling with the cost of living, and to enable and track referrals to the Household Support Fund. Since the form went live on 31st May 2022, 147 forms have been completed. See: [Cost of living support \(melton.gov.uk\)](#)
- We have provided grant funding to a range of services through the Community Grants Scheme who support households in need including Citizens Advice and Melton Furniture Project
- The Council is proactive in making referrals to the Leicestershire County Council Household Support Fund via the Case Management Team. 236 Household Support Fund referrals have been made on behalf of Melton residents since 23rd May 2022. Our teams have confirmed that the majority of people seeking support through the scheme have been in need of help with food, fuel and paying bills.
- Worked with voluntary sector and private sector partners to a proposed 'community supermarket' project as part of the draft UK Shared Prosperity Fund Investment Plan. It is hoped that this project will include a mobile solution to ensure access in more rural areas
- Moved to a duty rota system for the housing options team to ensure access to officers trained in housing and homelessness prevention advice at Parkside

- Worked with Samworth Brothers to host a jobs fair, leading to a number of interviews being arranged
- Successfully delivered (ahead of many other councils) the £150 council tax / energy rebate to 99.28% eligible residents in Council Tax Bands A-D:
 - 14,800 households have received payments into their bank accounts (totalling £2,220,000)
 - 3,196 households have been issued with post office vouchers, for those who do not pay by direct debit (totalling £479,400)
 - Approximately 100 more complex cases require further investigation to confirm eligibility in order for payments to be made
- Developed an evidence based discretionary scheme for the council tax / energy rebate (Melton Borough Council has been awarded £73,050 discretionary funding)

5.2 Over the next three months the following will be completed:

- A cost-of-living support information leaflet will be produced and made available to residents including to new Melton Borough Council Tenants as part of the tenancy sign up process
- We will launch a #Here4Melton communications campaign with a suite of social media posts which provide information about support available from the council and other partner agencies
- We will implement a discretionary scheme for the £150 council tax / energy rebate. Through this it is proposed to:
 - Award an additional £25 for those in Bands A-D in receipt of Council Tax Support
 - Award £150 to households in bands E-H and in receipt of Council Tax Support
 - Implement an application-based hardship scheme
- We will use our communication and support services to connect households with help and support through the school holiday period
- We will recruit to the post of income and tenancy sustainment officer (housing), with a focus on the end-to-end process for income management including connecting people with support
- We will review instances of non-payment of rent or council tax to understand what additional advice or support may be required
- Engage with private sector landlords including:
 - to encourage access to support for tenants and to prevent homelessness
 - to discuss energy efficiency measures
- Engage with Leicestershire District Council partners to ensure we maximise access to the countywide Lightbulb service to support older residents to remain healthy at home in Melton
- Develop a five-year asset management plan for council housing stock, including consideration of heating and energy efficiency measures

- Embed cost of living as a core focus of a countywide community leads partnership (districts and county council, with links to other partners) and Melton Helping People Partnership to share good practice, learning, insights and to explore opportunities for collaboration
- Further develop proposals for a community supermarket model across Melton

Longer term actions include:

- To arrange mental health awareness training for more council staff, in recognition of the likely increased stress for households
- To explore options to support employees who may be struggling with the increased cost of living
- To consider an extension to criteria for the community grant policy to include specific help and support household with the cost of living
- Collaboration across teams to host an energy efficiency focussed event
- State of Melton 2022 will take cost of living impacts into account
- Explore options to provide tenants with access to low-cost content insurance

5.3 **Customer Insight Feedback: June 2022**

5.3.1 In May 2022, Melton Borough Council became the first Council in the Country to develop and implement a cost-of-living insight mechanism within its customer feedback tool via Gov Metric. Gov Metric seeks feedback from customers on the service they have received via SMS (text message survey). The survey tool has been adapted to include two additional optional questions on how the increased cost of living is impact on people currently.

5.3.2 The insight received will help the Council to develop a real time understanding of the impacts for our communities and will shape and inform our response.

5.3.3 Since 9th June 312 people have responded to total respondents to the survey. 241 of the 312 respondents (77%) said that the cost-of-living crisis is affecting them. When looking at specific issues:

- 17 respondents told us they are struggling to keep up with previous debts
- 108 respondents told us they are struggling due to energy cost increases
- 16 respondents told us they are struggling with the increased cost in food
- 16 respondents noted they are struggling to pay household bills
- 10 respondents identified they are struggling to buy household essentials
- 9 respondents noted they have changed their lifestyle as a result of increased costs
- 31 respondents noted they are struggling with the increase in the cost of vehicle fuel
- 30 respondents selected 'other' of which 43% respondents identified that they were affected by all of the above (a-g).

5.3.4 Respondents are also able to provide comments. Some of the comments received include:

“The cost of living has meant I can barely survive. If I have any unexpected expenses, there is no money to cover them”

“School holidays are looming so I will have four children at home, this means increased use of gas and electricity coupled with other household expenses, this is a concern”

“I just afford to feed my kids and I sometimes go without”

“Yes, every shop somethings have gone up in price getting worried about debt”

“Yes, I’m a single parent, work full time and scared I won’t be able to pay bills”

“Not using the car even though I have mobility issues, cutting back on shopping bills stopping my charity giving as need money elsewhere”

6 Options Considered

- 6.1 The Council could choose not to develop a local response to the cost-of-living crisis. This is not recommended as it would not be in line with the Council’s commitment to help and support its communities at a time when communities are likely to be experiencing financial pressures.

7 Consultation

- 7.1 Specific consultation on the cost-of-living plan has not been carried out. However, it is directly informed by:
- a) Customer feedback, insight and evidence
 - b) Feedback from stakeholders and teams

8 Next Steps – Implementation and Communication

- 8.1 Implementation of actions contained within the Cost-of-Living Plan has begun and will form part of the Council’s core response to Helping People. The action plan will continue to be developed and delivered.
- 8.2 A key focus of delivering the cost-of-living plan will be increased communication through the #Here4Melton campaign

9 Financial Implications

- 9.1 There are no financial implications arising directly from this report. However, council resources and staff time will be refocussed / reallocated to support households as required (for example, case management team support)
- 9.2 The cost-of-living action plan and associated evidence base may be used to seek external funding to support our communities, for example, via the UK Shared Prosperity Fund.
- 9.3 The cost-of-living plan is a live and evidence led document. It is being updated in response to needs and insights. It is possible that financial implications may arise in the future, if a project or set of projects require a financial contribution. The Council will use its usual governance and decision-making processes if any such proposal arises.
- 9.4 The Council must also note that cost of living increases may impact on households’ ability to pay key household costs such as rent and council tax. Every effort must be made to support households who are struggling to ensure they can meet their financial obligations

whilst also considering any cases of hardship on a case-by-case basis and implementing appropriate support or other measures.

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

- 10.1 There are no direct legal or governance implications arising from this report.
- 10.2 Any projects arising from the Cost of Living Plan will be subject to the Council's decision making governance processes and any applicable law as appropriate.

Legal Implications reviewed by: **Deputy Monitoring Officer 05.07.22**

11 Equality and Safeguarding Implications

- 11.1 There is a risk that households and individuals will be more vulnerable and less resilient as a result of the increased costs of living. An assessment of situations that may lead to people being most or disproportionately affected by the increased costs of living has been carried out. These are set out within section 4.1 of this report and the cost-of-living action plan has been developed with these risk factors and at-risk groups in mind.

12 Community Safety Implications

- 12.1 There are no community safety issues arising directly from this report.

13 Environmental and Climate Change Implications

- 13.1 There are no environmental and climate change implications arising directly from this report. However, the Council must remain alert to the importance of energy efficiency measures, particularly from a housing perspective, in supporting households with rising energy costs. The Council's lead officers for climate and environment are part of the cost-of-living group and are supporting the ongoing development and delivery of the cost-of-living action plan.

14 Other Implications

- 14.1 **Health and Wellbeing Implications:** The cost-of-living pressures facing households are likely to impact on the health, wellbeing and resilience of our communities. The cost-of-living plan seeks to address this.
- 14.2 **Human Resource Implications:** There is great appreciation and awareness that the squeeze on household budgets does impact on the council's own workforce. The pay claim for 2022 has not been settled with consultation and discussion between unions and employers ongoing. Communication and support is in place and ongoing to ensure colleagues are aware of, and access the mental wellbeing and financial support available to them at the right time. Our colleagues provide invaluable services to the community so we will do our very best to ensure they are well supported during this period of uncertainty and financial pressure.

15 Risk & Mitigation

- 15.1 The cost-of-living increases create inevitable risk and pressures for our communities. Risk factors that may lead to disproportionate impacts (section 4.1) have shaped the development of the cost-of-living action plan and this will be further updated in response to emerging evidence and feedback. The action plan seeks to mitigate impacts for our communities where possible. It will not be possible to mitigate risks or impacts of increased costs of living completely.
- 15.2 A more detailed risk analysis will be included with a further cost of living update to Cabinet in October 2022.

16 Background Papers

- 16.1 UK Shared Prosperity Fund Draft Investment Plan (on same agenda)

17 Appendices

- 17.1 None

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