

Committee: Cabinet

Date: 16th January 2023

Agenda item:

Wards: All

Subject: An update on the Cost of Living crisis and development of further proposals relating to the Cost of Living Emergency Support Fund.

Lead officer: Louise Round, Interim Executive Director, Innovation and Change

Lead member: Councillor Billy Christie, Cabinet Member for Finance and Corporate Services

Contact officer: John Dimmer, Head of Corporate Policy and Improvement, ext: 3477, Octavia Lamb, Policy and Scrutiny Manager, ext: 4721

Recommendations:

- A. Note the progress in implementing the proposals for the first £1million from the Cost of Living Emergency Support Fund agreed by Cabinet in September 2022.
- B. Note the work on the Cost of Living to date, carried out by the council and its partners
- C. Agree the proposed way forward to develop the council's relationship with the Credit Union as at 3.20
- D. Agree the outlined Cost of Living Action Plan, the ongoing development of this Action Plan as laid out in 3.26 – 3.32, and that a proposal on the remaining allocation of the Cost of Living Support Fund will come to Cabinet in March 2023.

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- 1.1. This report sets out the progress of the £1million first tranche of the Cost of Living Support Fund as agreed by the Cabinet on 22nd September 2022.
 - 1.2. The report also details the work to date on the Cost of Living emergency carried out by the council and its partners.
 - 1.3. This report also outlines a Cost of Living Action Plan – A cross-council boroughwide approach to supporting residents in Merton.

2 BACKGROUND

- 2.1. Since the council declared a Cost of Living Emergency in July 2022, measures have been undertaken by the council and its partners to identify and support people in need.
- 2.2. The cost of living has become a national crisis affecting millions, with low-income families some of the hardest hit as food and energy bills rise.
- 2.3. The rise in the Cost of Living is combining with existing disadvantage and vulnerability in our communities, inequalities which already existed and had recently been exacerbated by the pandemic. Many households are now at

greater risk of immediate hardship and of reduced opportunity and wellbeing.

- 2.4. The council is uniquely placed to work with partners to identify needs and deliver services and support to protect people against higher costs, targeting help at those facing the most complex challenges.
- 2.5. A Cost of Living Support Fund of £2million was agreed by the Cabinet on 22nd September 2022. Allocations have already been agreed for the first £1 million, focusing on crisis support and addressing immediate challenges. Details of the allocations of this tranche of the fund are in Section 3.
- 2.6. The council has held regular resident events at borough libraries, attended by more than 1200 people, expanded the Warm & Well programme, set up warm spaces, and held a Merton Partnership Cost of Living Summit attended by key partners. Details of these are in Section 3.
- 2.7. There are strong mechanisms in place for engaging with voluntary sector and other key partners, including the Community Response Steering Group and its Fuel Poverty Subgroup, plus the Food Response Network and the Cost of Living Communications Campaign Working Group. These provide an opportunity for discussions on key issues affecting residents.
- 2.8. In addition, a cross-council Cost of Living Working Group has been established which will draw together and build on the various strands of work being done to address the cost of living crisis by sharing knowledge on the changing scale and nature of residents' cost of living needs, both short and long term. As the council develops its response to the cost of living crisis, this group will develop and oversee the implementation of a Cost of Living Action Plan setting out activities, timescales and ownership. Details are in Section 3.
- 2.9. The work of the council and its partners is in addition to government support that is and has been available to people in recognition of the Cost of Living crisis – see table below

Government scheme/discount	Value	Recipients
Energy Bill Discount	£400	All households
Cost of Living payment	£650	Recipients of low income benefits and tax credits
Disability Cost of Living payment	£150	Recipients of disability benefits
Pensioner Cost of Living payment	£100-£300	Those eligible for Winter Fuel Allowance
Warm Home Discount credit	£150	For eligible households

- 2.10. The Household Support Fund, to be distributed between 1st October 2022 to 31st March 2023. Allocations of this fund towards cost of living initiatives are detailed in Section 3.

- 2.11. Thames Water has a 50% Water Help discount for those with a household income under £20,111.
- 2.12. In addition, the GLA runs a Warmer Homes Grant Scheme with grants of between **£5,000** and **£25,000** are available to eligible low income homeowners and private tenants, with funding amounts depending on your existing energy efficiency rating, your tenure and your current fuel type.

3 DETAILS

- 3.1. A Cost of Living Support Fund of £2million was agreed by the Cabinet on 22nd September 2022. Allocations were agreed for the first tranche of £1million, and detail of these allocations follows.
- 3.2. An allocation of £100,000 was agreed to support arrangements in the voluntary and community sector for delivering emergency assistance to residents.
- 3.3. Following a short and simple application process, 10 bids were submitted, evaluated and confirmed to support residents in financial need with emergency assistance.
- **WDP:** Capital Card pop-up essential items shop for 361 Merton service users of local drug and alcohol services: £5000
 - **Commonside Trust:** To provide infrastructure support for law centre drop in, specialist training, support with travel and crisis cards for residents of Pollards Hill: £6426
 - **CDARS:** To support the cooking, provision and delivery of hot meals to Merton Service users of the mental health crisis cafe: amount TBC
 - **Wimbledon Foodbank:** To provide additional support to deliver food parcels, and provide supermarket vouchers where required: £12,000
 - **Dons Local Action Group:** To fund additional staff to meet increased need to manage daily running of the operations to deliver individual food parcels and delivery of provisions to partners: £10,000
 - **Inner Strength Network:** Provide small grants and financial assistance to women and children in refuges, volunteer expenses and supervision and training costs for volunteers: £5000
 - **Power Church Mitcham:** Funding for 6 months to help fund additional food, toiletry supplies and volunteer expenses and electricity costs to Mitcham residents in need: £8060
 - **Happy Family Support:** Provide freshly cooked meals and access to day services to members South Asian Merton Community who would otherwise be unable to attend due to the cost of living: £1000
 - **Faith in Action:** To support additional capacity for Wednesday and Friday drop in, in South Wimbledon: amount TBC
 - **Carers Support Merton:** An 'emergency fund' to be able to give carers in financial crisis a small grant to help cover basic living costs, such as food/provisions, goods, vouchers to provide short-term support: £5000
- 3.4. An allocation of £100,000 to Sustainable Merton and partners was agreed to support the Community Fridge Network in order to grow capacity in accordance with increasing need:

- A grant of £50,000 to Sustainable Merton, working with Merton Community Transport will increase in the supply of food through a campaign (Clear out your cupboards), Increase links with businesses who can supply surplus food, additional capacity for management and co-ordination of fridge, transportation costs, Warm Wednesdays initiative with Morden Baptist Church, insurance and storage costs for an ebike/trailer.
 - A grant of £25,000 to Commonsense Community Development Trust for essential food items for cooking surplus food, provision of additional hot meals, transport assistance, co-ordination of café and additional sources of surplus food or donations/funding, employ an Inspirational Cook.
 - A grant of £25,000 to Polish Family Association to double the weekly provision of food boxes to support new arriving Ukrainians and members from Polish and EE communities, to purchase essential food if the provision is not enough, offer delivery to families unable to collect due to illness, disability etc.
- 3.5. An allocation of £400,000 to initiatives that reduce heating costs was agreed.
- 3.6. As part of the Warm and Well Programme, the council currently funds 'Thinking Works' to carry out home energy efficiency visits to low-income households. From the £400,000, we are looking to expand this programme to include partner organisations such as Thinking Works, Wimbledon Guild and Age UK Merton.
- 3.7. Details are being finalised with the Warm and Well partners and wider stakeholders (including the ICB) on an implementation plan that increases capacity and provides a tiered level (crisis, short term, medium-longer term support) of information, advice and practical support. This includes increasing:
- Information and advice about income maximisation and energy efficiency
 - More Energy Efficiency assessments
 - Increased handyperson and heating repair support
 - Support to make small adjustments and items to help a household stay warm
- 3.8. An allocation of £200,000 was agreed for Citizens Advice Merton and Lambeth to expand its debt advice service for Merton residents, with a focus on in-person advice given in a community setting.
- 3.9. An Information/Assessor will facilitate outreach drop-in sessions, answer/support initial queries, provide advice support up to advice assessments, schedule appointments including for debt and other and liaise with clients re paperwork/documentation/appointments; a full-time Debt Adviser will provide dedicated debt advice support (including debt, financial capability, budgeting, income maximisation, etc). Pre-booked appointments including outreach venues; a part-time (2 days a week) Generalist adviser who will support residents, Assessor and Debt Adviser focusing on non-debt areas including for example housing, benefits, etc. Where needed, the adviser will be utilised to support drop-in sessions.
- 3.10. An allocation of £200,000 was agreed to be combined with £454,000 of the Household Support Fund to distribute individual payments of £60 by Post

Office voucher to residents in receipt of Council Tax Support. These have all been sent out and should all reach recipients before Christmas.

- 3.11. In addition, Cabinet agreed to commit £630,000 of the Household Support fund to free school meal vouchers for the period October 2022 to March 2023.
- 3.12. The Cabinet agreed that allocations for the second tranche of £1million of the Cost of Living Support Fund be considered in January 2023. The work of the Cost of Living Working Group includes collating and considering proposals for this second tranche in line with the proposed Cost of Living Action Plan. The Action Plan and proposals will be taken to the 20 March 2023 Cabinet meeting.
- 3.13. The council has run a series of free cost of living events for residents in Merton's libraries and the Civic Centre.
- 3.14. A total of five cost of events have taken place since July in Morden, Mitcham, Wimbledon, Colliers Wood and Pollards Hill, with a further dedicated energy saving event taking place in Morden in November. There were around 17 stalls at each event, staffed by council teams and a range of partners. Each household attending events received a free £10 supermarket voucher on the day. All the events have proved extremely popular with nearly 1,200 people attending in total. Feedback from residents has been very positive.
- 3.15. Two cost of living events were also held for Merton Council employees in October and November.
- 3.16. All of Merton's libraries have been set up as warm spaces and are available to all residents. They are continuing to increase their events offer and linking in with partners to deliver cost of living themed events. Libraries have also recently expanded their Health & Wellbeing offer with new Health and Wellbeing Zones set up and more health-related activities being delivered including exercise classes, yoga and medical checks delivered by partners.
- 3.17. A web page on the council website has been set up to promote all of the warm spaces in Merton along with the resources available at them including those set up by community and faith groups. The continuing promotion of warm spaces encourages more organisations to sign up and promote their offer.
- 3.18. To respond to the increasing rates of people taking on new debt, getting into further debt, seeking debt advice and, in the direst circumstances, taking on debt via payday lenders or illegal loan sharks, the council seeks to strengthen its relationship with CroydonPlus, the Credit Union for Merton, Sutton and Croydon.
- 3.19. There are several options for how best to enable CroydonPlus to increase their presence in Merton and their accessibility for the people of Merton.

Option 1: Include signposting to CroydonPlus on Council website

Option 2: Make referrals to Council clients during benefits appointments

Option 3: To explore providing the Credit Union with space in council premises eg the Civic Centre or libraires on a temporary pop-up basis

- Option 4: To consider a portion of the Cost-of-Living Support Fund as a grant for CroydonPlus to expand further into Merton
- Option 5: To consider a voucher scheme similar to the supermarket vouchers that have been issued at the cost-of-living events. With a £10.00 voucher, residents could be encouraged to set up Saver or Junior Saver Accounts
- 3.20. When considering a possible way forward in working with CroydonPlus, the council must give priority to any option which will ensure that Merton residents are benefitting from the CroydonPlus service. Therefore, it is recommended to agree exploring all of the above options.
- 3.21. A cost of living webpage has been set up at www.merton.gov.uk/costofliving, providing up to date information and advice for residents, including details of forthcoming events. It is widely shared by partners and regularly updated.
- 3.22. The council's Communications team is working with council colleagues and voluntary partners on formulating a Cost of Living Communications Campaign to ensure information and advice is getting to the right people as widely as possible.
- 3.23. The Merton Community Hub, set up during the Covid-19 pandemic by the council working in partnership with Merton Age UK, Wimbledon Guild and Merton Connected, has pivoted to providing assistance and support to residents in response to the cost of living crisis. Residents are able to get in touch either online, or, crucially, by phone.
- 3.24. Similarly, the Community Champions, volunteers at the hearts of Merton's communities, established in response to the pandemic, have become vital links for the council into the community, to help spread information about support available, and to feed back to the council about changing needs.
- 3.25. Updates on the cost of living work being undertaken by the council and its partners have been given to the Faith and Belief Forum, the Community Champions, and the Joint Consultative Committee with Ethnic Minority Organisations. These also proved invaluable in terms of hearing first-hand how the crisis is affecting the communities they represent.
- 3.26. In November, the council convened the Merton Partnership Summit on *Cost of Living: Meeting Needs and Building Resilience*, which was attended by more than 80 delegates from across the council and the voluntary and community sector.
- 3.27. Workshops at the Summit were run under five themes which have been identified as the priority themes through which to consider actions that will best tackle the cost of living crisis.
- 3.28. These themes also underpin the framework of the Cost of Living Action Plan being drafted for consideration by Cabinet in March.
- 3.29. The five themes are Food Insecurity/Poverty; Energy Efficiency and Homes; Finance, Benefits and Debt; Jobs and Skills; The Next Generation.
- 3.30. There are two strands of consideration underpinning these themes: meeting immediate needs and building resilience for the future.
- 3.31. The guiding principles for this work are Reaching People, Understanding Changing Need, Joining Up Working.

- 3.32. The *Cost of Living Action Plan – A cross-council boroughwide approach to supporting people living in Merton*, will set out a two year plan to ensure the council is responding to the cost of living crisis in the most effective and collaborative way possible by identifying and fully utilising means of support and funding across different areas, and by identifying and responding to the real needs of our residents.

4 ALTERNATIVE OPTIONS

- 4.1. There are other approaches, but the above is recommended by the Cost of Living Working Group as the clearest way forward.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. There has been ongoing engagement with a range of partners at the Summit and Merton Partnership Exec Board around the medium to longer term planning.
- 5.2. Updates were taken to the Community Response Steering Group and Fuel Poverty Sub-Group (mainly VCS partners) regarding the spending of the first million.

6 TIMETABLE

- 6.1. The Cost of Living Action Plan - A cross-council boroughwide approach to supporting residents in Merton, will go to Cabinet in March 2023
- 6.2. A set of proposals for the allocation of the second tranche of the Cost of Living Support Fund will go to Cabinet in March 2023

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The progress in this report amounts to £1million of the Cost of Living Support Fund
- 7.2. Proposed work in this report is not explicitly linked to the remaining £1million of the Cost of Living Support Fund.
- 7.3. Proposals for this remaining £1million will be made in a future report.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. None specific to this report.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. None specific to this report

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. None specific to this report.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. None specific to this report

12 BACKGROUND PAPERS

- 12.1. None