

**Teignbridge District Council
Overview and Scrutiny 1
13th December 2022
Part i**

Response to the Cost-of-Living Crisis

Purpose of Report

To make members of Overview and Scrutiny 1 Committee aware of the work being undertaken in response to the Cost-of-Living Crisis.

Recommendation(s)

That Overview and Scrutiny 1 Committee note and support the Council's plans to assist local residents who are affected by the cost-of-living Crisis.

Financial Implications

Please see section 10
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Legal Implications

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Risk Assessment

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Environmental/ Climate Change Implications

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Executive Member

Councillor Martin Wrigley

Appendices/Background Papers

Appendix 1 The VCSE Connector Role Aims and Objectives

Appendix 2 The Devon Approach to the Household Support Fund 3

Appendix 3 Together for Teignbridge, Supporting Communities through the Cost-of-Living Crisis, Communications and Engagement Plan

1. Background

- 1.1 The economic backdrop has changed considerably over the past twelve months with higher oil, gas and commodity prices, fears of rising and persistent inflation and its damaging impact on consumers' cost of living, little indication of an imminent end to Russia-Ukraine hostilities and supply chain bottlenecks exacerbated by war in Ukraine and the residual impacts of lockdowns in China during the Covid-19 pandemic. As reported by the Office for National Statistics in its Opinions and Lifestyle Survey, this is having a significant detrimental impact on funding and income available for residents and their ability afford their day-to-day bills and expenditure.
- 1.2 There are increasing reports of UK residents making choices between heating or eating, whereby they have no available money to pay for fuel or electricity and have to prioritise food over other basic but important needs.
- 1.3 The impact of this crisis may also have longer-term ramifications for residents who could fall into poverty, face eviction from their homes and suffer a deterioration in their mental and physical health. This will not only affect people in our district who are already on low incomes or facing financial hardship, but also those who are normally able to manage financially and who have not historically sought support from Teignbridge District Council or other organisations.
- 1.4 Pre-existing economic vulnerability is already prevalent in many of our communities presenting additional challenges to residents experiencing financial hardship. Within the Teignbridge district, we have ten lower super output areas (small areas used for statistical analysis designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households) which are considered to be in the bottom 30% of deprivation rankings of all areas in England.

These are:

Newton Abbot: Broadlands Area
Newton Abbot: Sandringham Road Area
Teignmouth: Town Centre and Seafront Area
Dawlish Warren and Cockwood
Dawlish: Seafront Area
Newton Abbot: Central- Union Road and Halcyon Road Area
Newton Abbot: St Leonards Road Area
Newton Abbot: Windsor Avenue Area
Teignmouth: Hospital and Mill Lane Area
Teignmouth: Landscore Road Area

- 1.5 October 2022 data showed the Consumer Price Index (CPI) reaching 10.1% in September and is expected to pick up to 11% in quarter 4 of 2022. The latest Bank of England Monetary Policy Report, produced in November 2022, suggests that recent developments, including the Energy Price Guarantee Scheme for households, and the Energy Bill Relief Scheme for businesses, are expected to put less upward pressure on inflation over the next three years compared with the Monetary Policy Committee (MPC's) August projections. Overall however, the MPC expects inflation to remain above 10% in quarter four of 2022 and quarter one of 2023 before falling back.
- 1.6 The cost-of-living crisis also poses significant risks to public health, wellbeing and social care. Low-income families are most exposed to this. Research from the Joseph Rowntree Foundation shows that the majority of households on a low-income report that their funds would last less than 1 week if their main income was lost.
- 1.7 Average weekly earnings within Teignbridge stand at approximately £495 per week, well below the national average of approximately £600 per week. Additionally, 11% of all households within the district are living in fuel poverty whereby their property has an energy efficiency rating of D or below, and after spending to heat their home, they are left with a residual income which falls below the official poverty line. This equates to 6564 households in total.
- 1.8 As detailed below, there are 8 key workstreams that have either been developed in direct response to the cost-of-living crisis, or which facilitate support to households who are vulnerable to the impacts of the cost-of-living crisis. These are:
 - Development of a Cost-of-Living dashboard
 - The Cost-of-Living Forum – Together for Teignbridge
 - Recruitment of a Community and Voluntary Sector 'Connector'
 - Funding for the Community and Voluntary Sector
 - The Household Support Fund 3
 - Work on energy efficiency and support for fuel-poor households
 - The Cost-of-Living Crisis Communications Plan

- The administration of additional financial support

Work Being Undertaken in Response to the Cost-of-Living Crisis

2. Development of a Cost-of-Living Dashboard

2.1 Our Data and Performance Analyst, Jack Williams has developed a Cost-of-Living PowerBI Dashboard which provides an overview of the impact of the cost-of-living crisis in Teignbridge including key insights into the types of issues driving the impact, highlighting the areas in Teignbridge which are most affected. When sharing these data sets and trends with external agencies, the intended purpose is for them to be able to use the dashboard to target support effectively and also to use the intelligence when seeking to attract external funding to support economically vulnerable residents.

2.2 The dashboard is divided into four key areas: Economy, Fuel and Food Poverty, Housing and Homelessness, and Revenue and Benefits information. Data is collated from a wide range of sources and updated on a monthly basis.

2.3 Data Currently Included (external data sets):

- Inflation trend to date
- Interest rates on mortgage products and the Bank of England base rate
- Employment % rates (for Teignbridge, the Southwest and England)
- Universal credit claimants (by month for Teignbridge, The Southwest and England)
- Average weekly earnings (by year for Teignbridge, The Southwest and England)
- Indices of deprivation
- Fuel Poverty, % of Teignbridge households in fuel poverty
- Energy price cap, trend data by month of release
- Energy efficiency, (EPC ratings in Teignbridge)
- Road fuel prices, petrol and diesel for UK
- Food insecurity, rank of risk by LSOA
- Average housing price, trend data for Teignbridge
- Average monthly rental price, trend data for Teignbridge

2.4 Internal data sets:

- Discretionary housing payments
- Temporary accommodation placements
- Devon home choice new applications
- Presentations for homelessness
- Council tax reduction new cases
- Council tax reduction caseload
- Household support fund, number of households applying and £ spent

- % Council tax collected
- % non-domestic rates collected

2.5 We have two means of sharing the dashboard with partner agencies and/or elected members. The first is to share a link to the dashboard with users who have a PowerBI licence, the cost of which is approximately £80. We are also taking steps to publish the dashboard data on the Teignbridge Council website. It is anticipated that this will be completed early in the calendar year 2023.

3. The Cost-of-Living Forum – Together for Teignbridge

3.1 At the request of The Executive Member for the cost-of-living crisis, Councillor Martin Wrigley, Teignbridge Community and Voluntary Services (CVS) established a cost-of-living partnership forum which convened for the first time on 6th September 2022 under the banner 'Together for Teignbridge'.

3.2 The forum included representatives from across the statutory and voluntary sector, including Teignbridge District Council, DWP, Citizens Advice Teignbridge (CAB), food banks and larders, town and parish councils, and local welfare and action charities. The purpose of the forum was to gather insight and data from across the sector which could shape future support and direct residents through to the right organisations. Another important factor raised was the need to tackle the stigma of asking for help and signposting to the right support, especially for people who have never previously needed it.

3.3 Representatives agreed to continue to meet every six weeks and a follow up meeting was held on 21st October 2022. By this time, two key digital tools had been created and these were shared with forum members:

- A 3-[step Money Worries webtool](https://www.worryingaboutmoney.co.uk/teignbridge): <https://www.worryingaboutmoney.co.uk/teignbridge>
- The [Teignbridge Cost of Living Support website](#) which draws together statutory and Voluntary, Community and Social Enterprise (VCSE) sector providers through direct links signposting to a range of information advice and support, including the Worrying about Money web tool, the TDC website and other advice and guidance.

Information accessible via the Money Worries web tool was also included in a print form leaflet, copies of which were provided to agency representatives.

3.4 Prior to the second forum meeting, a free one hour online training sessions for frontline organisations had been held on 20th October, in order to:

- Make agency representatives aware of what financial advice and support options are available locally.

- Enable agency representatives to feel confident about using the money worries leaflet and web tool and to ask people about wider money worries and guide them to support.
- Help agency representatives to understand what a ‘cash first’ approach to food insecurity is.

NB The aim of a Cash First approach is to reduce the need for emergency food aid by helping people access any existing financial entitlements and advice on income maximisation as a cash first response to food insecurity.

- 3.5 The Council’s Housing Needs Lead and Performance and Data Analyst have also conducted three demonstrations of the Cost-of-Living Dashboard to forum members.
- 3.6 The forum will continue to meet on a six-weekly basis in order to share information and best practice approaches to supporting vulnerable residents, enable networking between agencies and collate and discuss key insights from shared data sources.

4. Recruitment of a Community and Voluntary Sector ‘Connector’

- 4.1 Using monies provided to the Council under the Household Support Fund funding stream, we will be commissioning Teignbridge CVS to recruit a 12-month fixed term post. The post-holder will be tasked with referring customers on to support, advocacy and advisory services which are available within the Teignbridge District, but which are beyond the Council’s own remit.
- 4.2 The ‘Connector’ will be based at Forde House and will take referrals from staff where Teignbridge Council is not the appropriate provider or when additional support from within the VCSE sector will enhance the offer from the Council.
- 4.3 Referrals will be made face to face, via email or telephone; a simple referral process that collects only data that is needed will be in place and promoted across TDC teams
- 4.4 The Connector will make contact with the resident who has been referred and initiate a strengths-based conversation to understand what matters to them. The Connector will then take a case-worker approach with the individual and, with their permission, connect primarily to services within the Voluntary Sector but also to:
- Primary Care Social Prescribers
 - Health and Social Care Teams
 - VCSE Wellbeing Co-ordinators
 - Community Mental Health Teams
 - Wider public and private sector providers

4.5 Anticipated Outcomes:

- Residents who repeatedly use TDC as their first point of contact will be encouraged to engage with bespoke solutions from within their local community.
- Enhanced health and well-being of residents supported.
- Reduced demand on TDC provision with people having their needs met from within their communities, preventing escalation into higher cost services.
- Reduced loneliness and isolation for residents.
- Residents seek and receive advice, information and connection to, and then make their own connections into, local community services moving to a model of independence in managing more of their own needs.
- Improved data and intelligence at CVS
- Improved understanding of the community offers at TDC amongst front line staff and team leaders.
- Intelligence from demand informs CVS and wider VCSE community development and potentially TDC grant programmes.

4.6 Appendix 1 provides further detail pertaining to this post

5. **Funding for the Community and Voluntary Sector**

5.1 A report has been provided to members of Overview and Scrutiny 1, seeking their views on the Community and Voluntary Sector Funding Programme for the period of the financial year 2023/2024.

5.2 Current funding levels for the Community and Voluntary Sector for this financial year are as follows:

Organisation/type of funding	Funding 22/23	Comments
Citizens Advice Teignbridge	52,130.00	-
Teignbridge Community and Voluntary Services	57,000.00	-
East Teignbridge Ring and Ride	6,750.00	-

Newton Abbot Community Transport	7,610.00	-
Lottery	£7,300	Estimated
Rent subsidies	£687.50	Dawlish Scouts, Sandy Lane Dawlish £412.50 (March 2023) and Shaldon Water Carnival, Ness car park store £275.00 March 2024.
Councillors community fund	£56,400	-

6. The Household Support Fund 3

6.1 The Household Support Fund uses monies provided to Devon County Council by the Department of Works and Pensions (DWP). Devon County Council (DCC) has been awarded funding of £5,064,876.12 by the Department for Work and Pensions (DWP) for a third Household Support Fund (HSF3) for the period 1st October 2022 to 31st March 2023. The HSF3 must be spent or committed by 31st March 2023 and cannot be held over for future usage. As HSF3 is a finite fund: once the money has been spent the fund will close (this potentially therefore may be earlier than 31/03/23). This HSF3 allocation covers the DCC administrative area of Devon.

The fund is designed to provide rapid short-term financial support to address economic vulnerability and financial hardship. It should be used to support households who are struggling to meet their food, energy, water and other essential living needs. It can also be used to support households with essential costs related to those items and with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.

6.2 Appendix 2 Outlines the 'Devon Approach' to HSF3, devised by Devon County Council's Communities Team, in consultation with District Council representatives.

6.3 Teignbridge Council has been awarded a funding allocation of **£336,291** from Devon County Council for the third iteration of the Household Support Fund (HSF3).

6.4 A further **£50,443.65** has been provided to Teignbridge Council in order to cover the costs of administration of HSF3 bringing the total funding allocation to **£386,734.65**

6.5 In line with the Devon approach, it was agreed that District/City Councils will look to identify and help those who may not be eligible for the other support

government has recently made available but who are nevertheless in need. This is especially the case for low-income households who are struggling with meeting the cost of their energy needs.

- 6.6 Each district/city council will use appropriate and accessible datasets, which are compliant with data protection requirements, to proactively identify vulnerable and in need households; making contact with them and offering 'one-off' financial assistance.
- 6.7 Having used key data sets provided by the Revenue and Benefits Team, together with data regarding households in fuel poverty and those who are considered to be in LSOA areas which are vulnerable to financial deprivation, and insights from partnership work with the Community and Voluntary Sector the following funding apportionment has been devised for HSF 3:
- 6.8 **Direct Payments to people considered to be financially vulnerable who have not received previous support payments:**

1. A direct payment to of £650 to 110 working age Housing Benefit Claimants: **£650 x 110 = £71,500.**

2. A direct payment of £150 to 750 pensioners in receipt of Housing Benefit. **£150 x 750 = £112,500**

3. A direct payment of £800 to 60 people experiencing fuel poverty. **£800 x 60 = £48,000.**

This includes:

People living in an LSOA area between 1-3 on the deprivation ranking (see section 1.4) who use Oil or LPG heating and are in receipt of Housing Benefit.

People living in an LSOA area with a deprivation ranking of 4 or 5, who are in receipt of Housing Benefit and who have an Energy Performance Certificate rating of F or G.

Total to be paid via direct payments: £71,500 + £112,500 + £48,000 =
£232,000

Total remaining after direct payments are deducted: **£336,291 - £232,000 =**
£104,291.

6.9 **Payments to 3rd Parties**

£50,000 will be provided to Teignbridge CVS to disseminate to hard-to-reach groups including working age carers.

£10,000 for will be provided to Exeter Community Energy to support financially vulnerable Teignbridge Residents who require support to improve the energy efficiency of their homes.

Total remaining after direct payments and payments to 3rd parties are deducted:

£336,291- £232,000 = £104,291. £104,291- £60,000 = **£44,291**.

6.10 **Applications**

The remaining funding of **£44,291** will be allocated to an open application pot which will be administered by officers from the Housing Solutions Service. Efforts will be made to ensure that applications from people who have not previously been awarded HSF funding are prioritised, and that barring exceptional circumstances, awards are not made to those who have received HSF3 funds via direct payments.

- 6.11 It is our intention to launch the HSF 3 scheme in the week beginning 1st December. Figures pertaining to direct payment cohorts as outlined at section 6.7 may vary slightly because we will use the data sets run on 1st December 2022 to determine the precise numbers within each designated group at that time. It is not anticipated that the figures will vary significantly from those outlines above however.

7. **Work round Energy Efficiency and Support for Fuel-Poor Households**

- 7.1 As explained at section 1.7 11% of all households within the district are living in fuel poverty whereby their property has an energy efficiency rating of D or below, and after spending to heat their home, they are left with a residual income which falls below the official poverty line.
- 7.2 In addition to supporting households living in fuel poverty via the Household Support Fund, our Private Sector Housing (PSH) team have conducted the following work to assist in reducing fuel poverty levels, and improving energy efficiency in Teignbridge:
1. **Lendology**: We provide low interest loans to assist residents carrying out repairs and improvements to their homes, including energy efficiency measures [Lendology | Local Council Home Loans | Your Community Lender](#). This includes more recently bulk buy fuel [Bulk Buy Fuel Loans | Domestic Heating Loan | Lendology](#).
 2. **LEEP Referrals**: Under the Local Energy Efficiency Partnership we provide home energy advice visits, installation of low-cost energy saving measures e.g., draughtproofing, and referrals to other schemes.

3. CosyDevon: Referrals are made by our PSH Team to the CosyDevon scheme to provide energy improvements for lower income householders [Improving the energy efficiency of your home - Cosy Devon - household energy efficiency](#).
 4. ECO4 Flex: This is a scheme which is due to be launched imminently at the time of writing this report. The Energy Company Obligation (ECO) is a government energy efficiency scheme aimed at reducing carbon emissions and tackling fuel poverty. In order to target ECO funding to the most vulnerable households, local authorities have the flexibility to prioritise certain households in their area. Those that are eligible can access fully funded or subsidised energy saving measures in their homes.
 5. Green Homes Grants: Our PSH Team have just completed this project and have assisted 19 householders to carry out improvements to their home through various energy efficiency improvements including installation of air source heat pumps, high heat retention storage heaters and loft and cavity wall insulation.
 6. Warm Homes Fund: This project, due to be completed at the end of November 2022, targets fuel poor household and enables us to assist householders to install first time gas central heating including for residents living in Park homes. We have also assisted households to install air-source heat pumps.
 7. MEES enforcement to improve energy efficiency in the Private Rented Sector: Minimum Energy Efficiency Measures have identified through Energy Performance Certificate data sources properties in private rented sector let with EPC rating F and G. PSH Have targeted all G rated properties and currently pursuing possible enforcement action with several. They are currently working through the list of all F rated properties.
- 7.3 Outcomes relating to the schemes outlined above can be compiled and provided to members of Overview and Scrutiny 1 on request.

8. **Cost-of-Living Crisis Communications Plan**

- 8.1 Senior Leadership Team and Executive Members have signed off a Cost of Living Communications and Engagement Plan (Appendix 3), produced by our Marketing and Communications Manager, Louise Raymond
- 8.2 The plan uses the banner 'Together for Teignbridge', 'Supporting Communities through the cost-of-living crisis' and contains the following key campaign objectives:
 - To reduce the stigma associated with asking for help, particularly among people who have never needed financial support before.
 - To encourage people to seek help before it's too late.

- To signpost to the network of support available across the district; providing consistent messaging and working across services to ensure nobody is missed out.
 - To deliver direct support to people who are most affected through council tax relief; hardship funds; housing support and advice and preventing homelessness.
 - The secondary aim is to provide a network of support, through Teignbridge CVS, the Devon Councils' network (Team Devon) and CAB, to ensure pathways of support are clear and effective.
- 8.3 This plan will evolve to reflect the latest fund rounds, legislation and economic situation. However, the branding and messaging have already been adopted by the council and its partners at Teignbridge CVS, and the actions from the plan form part of the communications team's priority work.

9. Administration of Additional Financial Support

- 9.1 In addition to assisting with the allocation of funding under HSF3, our Revenue and Benefits Service have administered/ are administering the following interventions:

Council Tax Energy Rebate Scheme - The core element of the scheme delivered a payment of £150 to all council taxpayers living in council tax bands A – H. Councils were also awarded funding to provide discretionary top up support to struggling households not provided for under the core scheme. See here: [Discretionary Energy Rebate Scheme - Teignbridge District Council](#)

Discretionary Discount and Exceptional Hardship Policy - This scheme helps households struggling to pay their council tax by reducing the amount of council tax due by up to 100%. Each case is considered on its merits and support is typically awarded for one financial year. We also assist applicants to maximise their income by ensuring they are claiming all the benefits they are entitled to as well as helping with money management advice. [Council Tax Reduction - Exceptional Hardship Scheme - Teignbridge District Council](#)

Discretionary Housing Payments – This scheme provides additional support for residents in receipt of housing benefit or the housing element of universal credit. Support can help with moving costs, deposits and rent in advance or to top up any shortfall in benefit where the applicant is unable to make up the shortfall themselves [Discretionary Housing Payments \(DHP\) - Teignbridge District Council](#)

10. Financial Implications

- 10.1 There are no direct financial implications relating to this report, however all funding schemes outlined above will be administered in line with agreed policy and grant agreement stipulations for each funding stream. It should also be noted that The Council will have a significant budget deficit in 2025 (currently estimated at £2.6 million), and as a result we are severely constrained in terms of what financial support can be provided to address the cost-of-living crisis beyond that which uses Government funds designed and ringfenced for the specific purpose of supporting financially vulnerable residents.

11. Legal Implications

- 11.1 There are no direct legal implications relating to this report.

12. Risks

- 12.1 No risks have been identified in direct relation to the actions outlined within this report, however it is understood that the impact of the cost-of-living crisis upon financially vulnerable households will potentially significantly increase demand for core services provided by Teignbridge District Council. Our approach as outlined above is designed in such a way as to mitigate this increased demand as far as is practicable and given available resources. There are of course myriad risks to residents, businesses and other organisations associated with the cost-of-living crisis more broadly. Officers of the Council will use key data sets, specifically those contained within the cost-of-living dashboard in order to assess, forecast and where possible respond to the impacts of the crisis. We will also continue to engage with our partner organisations, whether they be from the public, private or community and voluntary sector, in order to gather further insights relating to the crisis, and we will collate and relay these via our communications plan.

13. Environmental/Climate Change Impact

- 13.1 There are no specific Environmental or Climate Change implications arising from this report, however details of the work being undertaken to support households experiencing fuel poverty can be found at sections 6.7 and 7. Work undertaken to improve energy performance and efficiency in residents' properties will not only have a positive financial impact for householders but will also have a beneficial environmental impact.

14. Conclusion

- 14.1 Members of Overview and Scrutiny are asked to note and support the response to the cost-of-living crisis outlined above.