



POLICY AND RESOURCES COMMITTEE

Wednesday 31 August

REPORT TITLE:	COST OF LIVING CRISIS
REPORT OF:	DIRECTOR OF RESOURCES

REPORT SUMMARY

This report is prepared for an extraordinary meeting of the Committee called to enable the Council to respond to the cost of living crisis affecting the Borough and its residents caused by the current and predicted high energy costs and rapidly rising inflation impacting on business and residents' incomes.

This supports the pledges in the Wirral Plan:

Brighter Futures to ensure children get the best start in life and are not subject to, as much as possible the impact of families in poverty. The support provided across the system will help families to mitigate the impact of the cost of living crisis.

Inclusive economy by supporting residents and businesses to maintain employment to ensure household income is forthcoming and employment opportunities are available

Active and Healthy Lives to ensure residents do not suffer long term impact of poor physical and mental health as a result of the crisis and help and support is available through partners to prevent this at an early stage as possible

The report affects all wards in the borough and is a key decision.

RECOMMENDATIONS

It is recommended that that the Committee:

1. recognises the cost of living rise as a crisis for the Borough and that the Authority's response to assist citizens and businesses in need is declared as a priority in the coming period;
2. authorise the Chief Executive and Directors to:
 - a. collate and communicate the services and facilities that the Council can offer residents and businesses and the means by which they may access that support; and
 - b. work with community groups and other bodies to co-ordinate and assist, directly and through inclusion within the Cost of Living Action Group, to ensure the best delivery of services and facilities that may provide assistance across the Borough in responding to the cost of living crisis: and
3. incorporate the cost of living crisis as a stand-alone item for the Group Leaders' (Member Working Group) agenda for the Group Leaders to be briefed upon ongoing issues and liaise with the Cost of Living Action Group and to report back to a future meeting of the Committee the progress being made to support the crisis.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The economic backdrop has changed considerably over the past few 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 lockdowns in China. As reported nationally in the media, 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 residents to making choices between heating or eating, being isolated in their homes due to no available money to pay for fuel or electricity and having to prioritise food over other basic but important needs.
- 1.3 The impact of this creates a consequential longer-term impact for residents who may fall into poverty, face eviction from their homes and suffer significant mental and physical detrimental health. This will not only affect the most vulnerable and deprived in the Borough that the Council and its partners would be aware of, but also those who ordinarily would have been able to manage and therefore would not usually have sought support; but are likely to find themselves in more challenging circumstances
- 1.4 In response to this, the Leader of the Council has requested an extra-ordinary Policy and Resources Committee to understand and evaluate what support is already available and provided by the Council and its Partners to residents of the Borough in such circumstances and what other support could be made available to further support the crisis.
- 1.5 Taking best practice from the outcomes of managing the cross-Borough response to the pandemic, our partners are again seeking the Council to take the Leadership role across the Borough, in coordinating and organising a borough wide response to the crisis. The Council is the organisation best placed to carry out this role across the Borough.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not co-ordinating or leading the Borough's response to the Cost of Living Crisis across its own services or across other bodies and services available to the Borough. This would not optimise local resources, funding, or support arrangements, leading to a failure in providing the best response available.

3.0 BACKGROUND INFORMATION

Impact on the Borough

- 3.1 Pre-existing financial vulnerability is already prevalent in many of our communities presenting additional challenges to residents experiencing financial hardship. May 2022 data showed CPI edging higher to 9.1% while the core CPI rate, which removes energy, fuel and food was 5.9%. RPI rose to 11.7%. The Bank of

England's latest projection sees inflation climbing to 13%, largely influenced by the continuing rise in energy prices. These factors coming together is and the extent and scale of these events is what has led to this being seen as a crisis. It is considered that all of our residents will be impacted in some way, as will local businesses when many are already trying to recover from the pandemic, at the same time as households look to reduce their expenditure. It is expected that this will intensify demand for public services and increase poverty, therefore, leading to growing pressure on Council services, challenging the ability of all to deliver financial resilience and to achieve better resident outcomes.

- 3.2 The cost of living crisis poses also significant risks to public health, wellbeing and social care. Low-income families are most exposed to this, and research shows that the majority reporting their money would last less than 1 week if their main income was lost. Aside from those families who are already struggling, are those who have not been known to any organisations previously for support and who have now slipped into situations where they can no longer afford to pay for day to day bills. These families may not appear vulnerable but will have underlying financial pressures that they been managing to contain and can no longer do so.
- 3.3 The current rate of (CPI) inflation as of June 2022 was 9.4%. The CPIH (which includes housing costs) was even higher at 12.7%; this means prices are continuing to outpace wages. Estimates suggest that the proportion of households in England living in fuel poverty could rise from 13% of households, to 42% of households after October 2022. The fuel poverty rate for Wirral was 14.4% in 2020; a rise to 42% of households would mean over 60,000 households in Wirral classified as being fuel poor.
- 3.4 However this crisis is unlikely to be a temporary situation and the impacts will be ongoing for a number of years therefore short-term solutions will not be sufficient nor will they address the underlying challenges for many households that require long term solutions to tackle economic vulnerability, improve life chances and build resilience. Our economic strategy and regeneration programme are therefore critical to mitigating impact and ensuring a longer-term approach to tackling economic vulnerability in Wirral.
- 3.5 In order to gather an initial snapshot of the pressures emerging locally, information was gathered from across the Council and from Citizens Advice Wirral. A recent, rapid review, (attached in Appendix A), outlines action being taken internally by the Cost of Living Action Group.
- 3.6 In addition to the impact internally Citizens Advice Wirral, which supports residents with Information, Advice and Casework covering a range of practical issues including debts, benefits, housing, is also reporting increasing challenges. Some of the services it provides are commissioned by the Council and has been repeatedly reporting an increase in service demand over the last 3 years. Since October 2021 however demand has increased significantly as follows:
 - During 2021 an average of 3,500 Wirral residents were supported through 'self help' each month, using online resources, this has increased to an average of 4,300 per month during 2022.
 - In October 2021 the national Citizens Advice online resource saw 15,575 Wirral

residents accessing self-help, an increase of 2,500 on previous months.

- The Ask Us Wirral service had an increase of 400 client contacts and assessed an additional 600 clients via telephone, email or face to face in February 2022, compared to October 2021.
- Since October 2021, 1,044, Wirral clients who were surveyed, responded by stating that the reduction in UC from October 2021 and the wider 'cost of living' challenges from March 2022 had negatively impacted on their financial situation.

3.7 A report from earlier this year from Citizens Advice Wirral, which was shared with all four local MPs in response to their request for information, includes data broken down by constituency and is appended to this report (See Appendix B).

3.8 A set of briefing summaries on the Cost of Living crisis and its impact on public health, wellbeing and social care has been prepared by the Qualitative Insight Team from the Wirral Intelligence Service. These will be further developed as more information is known and will be used to inform the response going forward. The main pressures on the cost of living pose a significant risk to health, wellbeing, social care and public health because:

- Low-income households spend a larger share of their income on energy and food; the Office for Budgetary Responsibility (OBR) is projecting real disposable incomes to fall by 2.2% this year (this would be the largest decline on record), which will therefore particularly affect low-income households
- It is already well evidenced that deprivation is associated with poorer health outcomes (including through stress; anxiety; substance misuse, diet etc.), further inflationary pressures are likely to widen already existing health inequalities
- Many public health policies (e.g., on obesity, smoking) use price disincentives and so interact with the government's wider cost of living strategy

3.9 In summary, the current position the borough is facing is a significant one, the evidence base provides for stark reading and as reported in the media, the peak of the crisis will hit in the autumn when energy prices are increased further. The evidence summary included in Appendix C highlights the scale of the challenge being faced across the whole system, including the consequential impacts where people are trying to protect themselves from the challenge

Current support available

3.10 External crises support is already available to help ease pressures through one-off financial assistance packages. This includes the Council Tax Support Scheme, Emergency Financial Support Scheme and Discretionary Housing Payments.

3.11 A Cost of Living Action Group has been established, chaired by the Chief Executive to coordinate a Boroughwide response to the crisis. The support available and the actions being taken by the group can be found at Appendix E

Communications and promoting the support

- 3.12 The Council have created a landing page on their website which signposts visitors to a range of helpful national and local information. The page highlights the support available locally. Officers regularly update this landing page to ensure it has the most relevant and accurate information and that it reflects any changes in national policy and support.
- 3.13 To date, a suite of social media messages has been developed to promote the webpage, including specific messaging asking people with older and less digitally able friends and relatives to let them know how they can also access support. In addition, the Council shared links to the landing page and social media through relevant communications channels.
- 3.14 Additionally a communications toolkit for key partners is in development featuring a range of digital and offline assets, to help them reach those people who are not online. This ambition is that this information is shared across the Borough's network for example on GP information screens and local press.

Next Steps

- 3.15 It is proposed that the action group be widened to include Strategic Partners, as well as other key partners including Citizen's Advice. This collaborative multi-agency response will utilise the specialist knowledge, experience and access to residents of partners to ensure a comprehensive and coordinated suite of support measures for residents.
- 3.16 Work with partners to run a series of events to help residents find support with the cost-of-living crisis. The events will give residents an opportunity to speak face to face with council staff and community groups who can help with problems including benefits, housing, debt and food support.
- 3.17 Prepare a wide ranging communications campaign to promote the financial and non-financially support more widely across the Borough. The method for providing communications will be through the current channels and will also use the Community Connectors to promote the key messages. A copy of the communications plan will be shared with all Members to enable them to share the information with their constituents and promote the messages across the whole Borough.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no immediate financial implications relating to the current support provided that has been highlighted in this report as budgets are available for welfare assistance and hardship. Some of these are recurrent however some are one-off funding sources.
- 4.2 As the crisis impacts on those residents in the borough who are not known to the Council, this presents a whole new cohort of people who are not currently included in the number of people supported from the current budget. This presents a significant

financial risk to the Council as if we fail to support them, the longer term impact could have a much wider detrimental financial impact, which is as yet unknown.

- 4.3 The impact from the crisis is at its infancy with the peak assumed to take effect in October with the reported increase in fuel bills. The current budgeted funding streams that the Council holds are not sufficient to support any further impact, so any additional funding aligned to support the crisis will have to be found from reducing or stopping other services and functions that the Council currently provides.
- 4.4 The impact of the cost of living crisis and the inflationary increases in energy and more generally is also having a direct and significant impact on the Council's budgets and expenditure forecasts, with large adverse variances being presented as at the end of Quarter 1. At this time these are being mitigated with one-off funding but the ongoing impact of this, if left unmitigated increases the 2023/24 budget gap to unprecedented levels.
- 4.5 The National Employers association offer of the 22/23 pay award, if agreed will place considerable pressure on in-year budgets and services will have to be prioritised and reduced during the last six months of the year to be able to afford the impact of this.

5.0 LEGAL IMPLICATIONS

- 5.1 Many of the services and support mechanisms provided by the Council are carried out through a variety of legal powers that assist those functions, having regard to the public sector equality duty, best value and other requirements.
- 5.2 As well as exercising its powers under these specific provisions, the Council has a wide ranging general power of competence that will enable it to act in this way to secure the best interests of the Borough, its economy and the persons resident or present in its area.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 If a cost of living emergency is declared and a structure established similar to that employed in response to the Covid-19 pandemic, this will place extreme pressure on staff resources to respond. Capacity is already very unstable across the organisation with increasing sickness levels due to pressure of work.
- 6.2 Under these circumstances, work will need to be prioritised with a recognition that support to other functions and services will have to be paused or stopped until the crisis subsides or sufficient other support provided externally fulfils the response adequately.

7.0 RELEVANT RISKS

- 7.1 Failure to recognise and respond to the crisis will put residents at risk from a whole set of consequential impacts, if they are not able to access funding required to afford their basic needs. This includes:
- Falling into poverty
 - Poor physical and mental health
 - Evictions from accommodation and the impact on health of poor housing

- A decrease in educational attainment
- Loss of employment, business and livelihoods
- Exposure to unscrupulous individuals e.g. loan sharks
- Negative impacts on community safety caused by potential increases in theft, burglary, and other relevant crime
- Increased safeguarding risk of the grooming and exploitation of children, young people, and vulnerable adults, posed by organised crime gangs/county lines activity

7.2 If the Council fails to take a Leadership role across the Borough, there is a risk that support provided across the system is unorganised and uncoordinated and may result in duplication, contradiction, and inefficiency

7.3 The Council itself is not insulated from the current situation with a consequential impact on staff mental and physical wellbeing, significantly increasing fuel prices impacting on building running costs, a large reduction in income where customers can no longer afford to pay for services and increased cost of inflation on Council contracts. In parallel the Council is also currently reviewing the impact of these and other increasing operational costs on its own budget situation and service provision. Many programmes of support that have been in place for families throughout the pandemic, with others being established in response to the recent rises in inflation. This will help to mitigate some of the effects of the increased cost of living. Wirral Council is developing, alongside partners, a universal response which focuses on the helping all Wirral residents, and a targeted response which focusses support and signposting on specific resident groups most in need.

7.4 Failure of the Council to recognise the impact on itself as a result of the crisis and to plan accordingly will result in poor financial management and potential budget overspends, meaning it will be unable to respond to the crisis effectively and will not be able to manage the budget position

7.5 If the Council does not respond to the crisis in terms of fulfilling its community leadership role, the consequential impact on residents will be long-term and will result in exacerbated financial and capacity pressures on the Council and its partners in the future

8.0 ENGAGEMENT/CONSULTATION

8.1 Consultation is ongoing with partners as to the response to the crisis as part of the normal and frequent dialogue that takes place. Partners have been working together for some time to determine the impact and the mitigations that are already in place and what additional support can be provided

8.2 A Cost of Living Action Group at officer level is already established, chaired by the Chief Executive, upon which the Leader of the Council is briefed.

8.3 As part of the research and evidence base that has been provided, MPs have been made aware of the current position.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 There is scope for there to be fundamental equality implications as a result of the cost of living crisis. For this report, this is an initial paper that describe the current position, what is currently in place and what further can be done. Current support will already have been assessed for equality implications and any further action will be assessed when developed.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There will potentially be implications for the environment and climate as a result of changing behaviours whereby the impact of the crisis is felt. This may include more non-recyclable food packaging of less nutritional junk type foods. As the actions are identified, any environmental and climate implications will be recognised and reported.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 By its nature, the activity identified in this report will take place across Wirral and will be based around the local public sector and community organisations active in the Borough. There will be an impact on the wealth of residents and businesses from the crisis as available income will be limited and businesses may fail. Anchor institutions will, as part of the system based response will work as much as possible to mitigate any impact from the crisis, but it is inevitable that the implications for community wealth will be detrimental.

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APPENDICES

Appendix A - Citizens Advice Wirral March 2022: Cost of living impact on our clients
Appendix B – Constituency data
Appendix C – Summary of evidence of increasing demand
Appendix D – Other external support
Appendix E - Support available and activities provided by the Council

BACKGROUND PAPERS

As set out or referred to in the Appendices

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Citizens Advice Wirral March 2022: Cost of living impact on our clients

During winter 2021 there were several changes that meant that more people were faced with financial challenges and began to struggle with the general cost of living. The Universal credit £20.00 uplift, which had been introduced during the pandemic, ended and this coincided with the start of an energy crisis, which saw gas and electric bills beginning to increase.

Citizens Advice Wirral supports Wirral residents with Information, Advice and Casework covering a range of practical issues including debts, benefits, housing. Working closely with Wirral Foodbank and the Fuelbank Foundation we also support people in food and fuel poverty.

We have seen an increase in demand for our services since October 2021 with many clients who we speak with telling us that they have never needed advice and support before and that the increase in the general cost of living, including fuel, is impacting on themselves and their families, resulting in many people struggling to top up their prepayment metres or afford their monthly fuel direct debit bills.

- During 2021 an average of 3500 Wirral residents were supported through ‘self-help’ each month, using our online resources, this has increased to an average of 4300 per month during 2022.
- In October 2021 our national Citizens Advice online resource saw 15,575 Wirral residents accessing self-help, an increase of 2500 on previous months.
- Our Ask Us Wirral service had an increase of 400 client contacts and assessed an additional 600 clients via telephone, email or face to face in February 2022, compared to October 2021.
- Since October 2021, 1044, Wirral clients who were surveyed, responded by stating that the reduction in Universal Credit (UC) from October 2021 and the wider cost of living challenges from March 2022 had negatively impacted on their financial situation, demonstrated by constituency as below. Further detail on this is provided at Appendix B

	UC CUT Oct to December 2021	UC CUT Jan to February 2022	Wider Cost of living increases March 2022
Birkenhead	344	97	65
Wallasey	171	39	30
Wirral South	170	27	22
Wirral West	33	23	23

Total	718	186	140
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Since October 2021 the main topics that clients have sought advice about and where these clients live is demonstrated as below (*excluding Self Help online clients*).

Comparison of data from October – December 2021 to January – March 2022

	Issues	Clients	Issues	Clients
Topic	October – December 2021		January – March 2022	
Benefits and Tax Credits	3361	1499	4015	1664
Benefits and UC	1466	657	1534	636
Consumer goods and services	161	109	179	115
Debt	1475	700	1962	740
Education	40	29	34	21
Employment	369	200	417	227
Financial services & capability	375	262	380	246
GVA and Hate Crime	25	18	31	26
Health & Community Care	1472	748	1192	630
Housing	1619	674	1833	709
Immigration and asylum	39	26	76	35
Legal	266	196	348	224
Other (food and fuel)	1633	999	1141	794
Relationships and family	331	220	413	241
Tax	64	50	75	61
Travel and transport	140	93	145	101
Utilities and communications	445	316	448	336
Total	13281		14243	

Constituency Data

Along with the local intelligence that we are gathering in Wirral, to demonstrate the impact of the cost of living crisis on people, our national Citizens Advice team have recently produced a report called 'Crunch Point', that looks further into how people are being affected now by fuel increases, in particular, and how they anticipate they will cope when prices increase from April 2022 and again from October 2022.

As part of the research for the report they used the independent OPINION poll, with 10,301 people across the country taking part in a survey. Below are their findings for Wirral, demonstrated at constituency level. This information has been shared with Wirral's four Members of Parliament and we have met with Margaret Greenwood and Dame Angela Eagle, with dates scheduled to meet Mick Whitley in the coming weeks.

Wallasey data

- 86% of people in this constituency said that they did not think the October energy loan scheme would make a difference to pay their bills.
- Nearly 1 in 7 people in Wallasey are unable to pay their energy bills right now without cutting back on essential spending.
- 6% of constituents are unable to pay their bills even after cutting back on essential spending.
- In April, the number of people unable to pay their bills even after cutting back on essential bills will increase by 119%”

Birkenhead data

- 85% of people in this constituency said that they did not think the October energy loan scheme would make a difference to pay their bills.
- Nearly 1 in 7 people in Birkenhead are unable to pay their energy bills right now without cutting back on essential spending
- 7% of constituents are unable to pay their bills even after cutting back on essential spending
- In April, the number of people unable to pay their bills even after cutting back on essential bills will increase by 87%

Wirral South data

- 86% of people in this constituency said that they did not think the October energy loan scheme would make a difference to pay their bills
- Nearly 1 in 9 people in Wirral South are unable to pay their energy bills right now without cutting back on essential spending
- 3% of constituents are unable to pay their bills even after cutting back on essential

spending

- In April, the number of people unable to pay their bills even after cutting back on essential bills will increase by 126%

Wirral West data

- 85% of people in this constituency said that they did not think the October energy loan scheme will make a difference to pay their bills.
- Nearly 1 in 9 people in Wirral West are unable to pay their energy bills right now without cutting back on essential spending
- 4% of constituents are unable to pay their bills even after cutting back on essential spending
- In April, the number of people unable to pay their bills even after cutting back on essential bills will increase by 78%

The report concludes with 3 'asks' of the government.

- Uprate benefits in April to better reflect the cost of living.
- Support households in October through a more generous, non-repayable Energy Rebate and an expanded Warm Home Discount Scheme.
- Better target existing energy efficiency schemes and help consumers make the right choices to decarbonise their homes.

Summary of evidence of increasing demand

- Nearly 1 in 7 people in Wirral are unable to pay their energy bills right now without cutting back on essential spending.
- 5% of residents are unable to pay their bills even after cutting back on essential spending.
- In April, the number of people unable to pay their bills even after cutting back on essential bills increased by 103%
- Services have seen an increase for demand across emergency food, fuel, and debt support. Services are seeing a new cohort of people accessing for the first time, 10% of people accessing the foodbank are working, and 50% state low income. Those that have accessed services previously now have more complex problems
- Services are reporting that people's incomes are maximised and not much more can be done to help with income solely the impact of rising costs.
- Emergency Fuel support - those on prepayment meters more vulnerable. Unlike direct debt payers, people who have prepayment meters don't have access to energy if they can't pay. More likely to disconnect themselves. Utilita has stated that £50 loaded on a prepayment card last year would have provided 11 days energy, with the October increase, it will provide 3 days and in January 23, around 2 days. Even emergency measures are not helping to cover the costs.
- The Crisis is having a disproportionate impact on different groups - for example, low-income households, single people, single parents, people with disabilities:
 - Existing support appears directed at families and non-working households
 - Those who don't access services are missing from statistics
- Higher portions of (shrinking) disposable income and savings being spent on essentials
 - Cutbacks on non-essentials such as gym memberships, charitable donations etc.
 - Increased reliance on unsecured borrowing- loan sharks for residents unable to access credit
 - Fears about school holidays, the provision of back-to-school items and the affordability of Christmas
- Sex working on increase as women feeling like they have no alternative to cover bills
- Sustainability of businesses and Charity, Voluntary and Faith (CVF) organisations at risk due to their own rising fuel costs and impacts on staff and volunteers who support these services. Charitable donations are down up to 50% compared to 2021.
- Capacity of the CVF sector who are seeing an increase in the number of people needing advice and casework and appointments that they are currently unable to manage. Some people are waiting 6 weeks for an appointment which is not sustainable in a crisis.
- Reliance Emergency Food when able to many organisations are no longer provide emergency food is placing a bigger strain on the system.
- The implications of wider system demand. Hospital admissions are increasing as people cannot afford to run medical equipment from home.

- Increased expected demand on the Fire and Rescue Service as more people are using electric blankets and lighting candles and fires to keep warm increases the risk of house fires.

APPENDIX D

OTHER EXTERNAL SUPPORT

(a) Council tax rebate scheme

The council is administering the scheme to make £150 payments to residents, to date the council has distributed in excess of 102,500 payments totalling £15.4M. Payment take up has been slower than expected and hoped and this is an experience which is shared by all Local Authority who have run the application process based on initial government guidance.

Processing of the applications received is also complicated by the requirement to verify bank details via an appropriate third party system. This methodology does however provide very significant assurance of the payment process and protects the authority from the risk of losing money through the payment assurance process.

No resident will lose out despite the deadline imposed by central government on applications, all remaining payments for eligible properties will be transferred to the eligible resident council tax account.

Given the experience from the main scheme Wirral's discretionary scheme will be transferred directly to residents' council tax account to ensure they receive the benefit quickly with no further delays.

This approach will ensure every eligible resident will receive the £150 payment, in the case of our most vulnerable households (those in receipt of council tax support) will received £170.

(b) Energy reduction grant

All UK households will get a grant which will reduce energy bills by £400 from October. Initially, this was designed to be a £200 reduction paid back in instalments over five years. Now, the discount has been doubled and there is no requirement to repay.

Therefore, from October, everyone's energy bill will be reduced by £400. This will be applied in monthly instalments over six months, with a reduction of £66 in October and November, and of £67 a month from December to March 2023.

The discount will be made automatically by your energy supplier. There is no need to apply.

In addition, a £650 payment will be made to more than eight million low-income households who receive the following benefits:

- Universal Credit,
- income-based Jobseekers Allowance
- income-related Employment and Support Allowance,
- Income Support
- working tax credit
- child tax credit
- pension credit

This will be paid in two instalments. The first of £326 was be paid for most people between 14 and 31 July. The second, of £324, will be paid in the autumn.

Those on tax credits will have to wait longer, as the first payment will be in the autumn and the second instalment during the winter.

All payments will be paid automatically into bank accounts - usually marked "DWP Cost of Living". There will also be additional payments for pensioners under the winter fuel schemes

(c) Household Support Fund

Wirral Council has secured more than £3 million to provide school meal replacements and help residents facing severe financial difficulties this summer.

The funding is from an extension to the Government's Household Support Fund and will be targeted at the borough's most vulnerable residents, with a third ring-fenced to support families with children, and a further third allocated to help pensioners (age 65+).

The funding is the latest from the Department for Work and Pensions which has provided more than £6 million to Wirral since December 2020 under the COVID Winter Grant Scheme and COVID Local Support Grants.

The £3.049 million awarded under the latest phase must be spent by 30 September 2022 and will be used towards the following projects:

Financial Support with Fuel and with Fuel & Water Debt (£650,000)

Vulnerable residents who are unable to pay for the fuel they need to heat and power their homes or are struggling to deal with fuel and water debt can apply for help in several ways:

- Those with pre-payment meters can request a fuel voucher (gas and electric) from national charity, Fuelbank Foundation, via their local delivery partners Citizens Advice Wirral, Involve Northwest and Energy Projects Plus, as well as via the Emergency Financial Support Scheme (see below).
- People who pay by direct debit can apply for help towards their fuel and water costs, which will be paid directly to their utility provider following an assessment and referral by Citizens Advice Wirral.

- People struggling with fuel and water debt can request help to clear or reduce their debt from Citizens Advice Wirral and Energy Projects Plus.

People in crisis situations who are unable to repair or replace broken or obsolete heating and do not qualify for help under other programmes can apply to local charity Energy Projects Plus for help under the Crisis Support with heating scheme.

Small Grants Programme (£600,000)

Community-based food and welfare support groups, including many that played a key role supporting residents through the pandemic, were invited to apply for up to £20,000 (plus up to £2,000 administration costs) to help ensure that food and essential items are available to those most in need in their local communities over the summer months. The application window closed on Friday 27th May 2022 and bids are currently being assessed.

Emergency School Food Pantries (£520,000)

Primary, secondary, special schools, and Birkenhead Sixth Form College will be given a store of ambient items for the children to take home and use over the summer holiday. The project builds on the success of a similar scheme delivered in partnership with local charity Neo Community, which saw 112 pallet-loads of food delivered to 40 local schools in the autumn of 2021.

Emergency Financial Support Scheme (£400,000)

The scheme allows the Council to provide emergency support to help people in crisis situations due to an emergency or disaster, as well as to helping those leaving care, hospital, or prison to become established in the community. It can contribute towards necessary items and expenses, including essential and specialist food needs, furniture and household goods, white goods, fuel and utilities including phone and broadband bills and some medical expenses. All applications are carefully considered against strict eligibility criteria and evidence of need.

Holiday Activity Fund (HAF) – Food Support (£200,000)

The HAF is a national programme providing more than 70 clubs and activity venues in Wirral over the summer holiday for free school meal-eligible young people. The Household Support Fund will ensure every child taking part will receive a nutritious meal each day they attend.

Wirral Family Cook Off (£200,000)

Up to 4,000 families in all parts of the borough will receive food boxes containing the ingredients and step-by-step menu cards to create interesting and nutritious family meals together this summer. The project builds on the two earlier phases of the Wirral Cook Off, which have seen saw more than 25,000 hampers containing 120,000 family meals, provided to households across Wirral.

Early Years Food and Essential Hampers During School Holidays (£130,000)

Families who qualify for 2 Year Funding or Early Years Pupil Premium (the pre-cursors to free school meal eligibility at primary school) will receive hampers containing food and other essential items, which will be provided for the nursery/school summer holidays. Other local families with children under 5 who may need the same support should contact their nearest Children's Centre to discuss applying.

Housing Support Costs (£100,000)

The funding will allow Wirral's Revenues and Benefits service to allocate funding to support housing costs in exceptional cases of genuine emergency where existing housing support schemes cannot be used.

Crisis Support with White Goods (£54,000)

This funding will allow community-based partners, North Birkenhead Development Trust and St Vincent de Paul Society (Wirral), to continue providing white goods and other essential items to vulnerable households who do not qualify for the Council's Emergency Financial Support Scheme.

Merseyside Fire & Rescue Service: Risk Reduction Items (£20,000)

Wirral will provide continued support for an MFRS-led initiative to install heating-related risk reduction items in the homes of vulnerable people across the borough. The Fire Service will target this support; however a referral can be made to MFRS if a vulnerable household is identified.

Further information is available on the Wirral Council website at www.wirral.gov.uk/welfaresupport or by calling the helpline on 0151 666 5050 if you are unable to go online. The helpline can also advise on assistance that may be available from Age UK Wirral for anyone digitally excluded.

APPENDIX E

Support available and activity provided by the Council

(a) Emergency Financial Support Scheme

The Emergency Financial Support Scheme (EFS) provides support to help residents in crisis situations due to an emergency or disaster. It is additionally available to support people become established in the community i.e., care leavers, those discharged from hospital, or prison. Primarily it is accessed for support with food, fuel and utilities, furniture, and white goods. The capacity of EFS, is presently enhanced through Household Support Fund (HSF) grant contribution. This affords for the provision of assistance with unexpected costs, such as car repairs, travel, health needs, specialist dietary requirements, vets' bills. It is intended to provide immediate help in an emergency as opposed to ongoing support with routine household or personal expenditure.

There is currently a distinct increase in applications for assistance with fuel, travel costs and notably in respect of replacing whitegoods which is otherwise unaffordable. As an indication of demand, some 2,218 applications for support with food and fuel have been received in respect of the period 1 April 2022 to 19 August 2022.

(b) Discretionary Housing Payments

The Council already provides packages of targeted support to those in need. The Discretionary Housing Payments (DHP) scheme helps residents in rented accommodation with shortfalls in rent/arrears from the Universal Credit/Housing Benefits system. The council receives an annual allowance which is determined by central government; however, the authority is allowed to, and does, top the payment received by up to 1.5 times. Many councils do not offer a discretionary top-up and limit support to that provided by central government.

The level of this varies from year to year. The amount of funding available over the past 5 years is shown in the table below. The fund available for DHP top-ups is a one-off reserve which will be fully drawn down this year, 2022/23. Therefore, no top-up funding is available from 2023/24 onwards unless made available as part of the budget.

Year	Government Allocation £	Council top-up £	Total payments £
2022/23 (forecast)	540,436	810,654	1,351,090

2021/22	610,217	915,325	1,535,542
2020/21	1,102,976	1,654,465	2,757,441
2019/20	732,041	1,098,061	1,830,102
2018/29	856,805	1,285,208	2,142,013

(c) Council Tax Support Scheme

Wirral continues to offer up to 100% council tax support for our most vulnerable residents, for those on low incomes with capacity to work, support is still available up to 87.5% of the total council tax charge. The amount charged is based on the income of the resident. In addition, certain groups and organisations have 100% Council Tax exemption such as care leavers and the Women’s Refuge. The Council Tax Support Scheme that Wirral has in place is the most generous of all of the schemes across the Liverpool City Region.

(d) Real Living Wage

The Council is a real living wage employer and in 2021/22 provided just under £6m recurrent funding to the care sector to enable their employees working to support Wirral residents to also be paid the real living wage.

(e) Cost of Living Action Group

Whilst there are many external and uncontrollable factors impacting of the Cost of Living Crisis a cross council approach, working closely with our partners, will be required to mitigate the impact of this ‘crisis’ whilst ensuring our strategic intent and ambitions to reduce economic and health inequalities remain effective and relevant. There are many existing strands to this work are coalescing under the Cost of Living Action Group, which brings together representation from various service areas to coordinate how the organisation is supporting and can support residents and is chaired by the Chief Executive.

The Council recognise that given the scale of the crisis and the impact it will have on our residents that it is critical that we focus on maximising household income, providing advice, information and support to tackle poverty and boosting financial resilience, we will do this by:

- Promoting and supporting benefit take-up so people are accessing all the benefits they are entitled to
- Signposting people to financial advice and support, including debt advice
- Maximising the help people receive through Council Tax Support and effective use of Discretionary Housing Payments - aspects of the benefits system that sit with local authorities
- Providing cash grants and in-kind support to people facing financial hardship through the local welfare assistance schemes. VCSE organisations and some foodbanks are supporting people to access grants

- Making use of support available from utility companies. For example, United Utilities offer a range of different types of help to people who are struggling with their bills.
- Supporting people to access affordable, ethical credit. Promote Credit Unions which offer customers low interest loans and access to other financial products and support.
- Exploring 'Warm Hubs' types of places within the local community and partner buildings where people find a safe, warm and friendly environment in which to enjoy refreshments, social activity, information and advice and the company of other people.
- Engaging VCSE sector to determine what support they require that will enable the most appropriate support can be provided to residents – some organisations have sufficient funding but do not have the infrastructure or capacity to cope with demand