

25th August 2022

REPORT TITLE:	COST OF LIVING – COMMUNITY, VOLUNTARY AND FAITH SECTOR GRANTS PROGRAMME
REPORT OF:	ASSISTANT DIRECTOR: CONSULTANT IN PUBLIC HEALTH

REPORT SUMMARY

This report seeks approval for the funding of a Community Voluntary and Faith sector grants programme to increase capacity to support local communities affected by the cost-of-living crisis.

The grants programme will be funded through Contain Outbreak Management Funding.

Proposed actions affect all Wards within the borough and the decision is a key decision.

The activities outlined in this report support the vision of the Wirral Plan 2021-2026, to 'create equity for people and place' and will contribute directly or indirectly to delivering the five themes of the plan:

- Sustainable Environment
- Brighter Futures
- Inclusive Economy
- Safe and Pleasant Communities
- Active and Healthy Lives

RECOMMENDATION/S

The Director of Public Health is recommended to:

- 1) Approve the use of £1,200,00.00 of the Contain Outbreak Management Fund to establish a Community, Voluntary and Faith Sector grants programme to increase support to local communities affected by the cost-of-living crisis.
- 2) In consultation with the Chief Executive, agree that the decision be excluded from removal of delegation and reconsideration by Policy and Resources Committee.

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. There is significant concern regarding the damaging impacts this will have on local communities through rising living costs. May 2022 data showed Consumer Prices Index (CPI) edging higher to 9.1% while the core CPI rate, which removes energy, fuel and food was 5.9%. While the Retail Price Index (RPI), which measure the change in costs of a representative sample of goods and services, 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.
- 1.2 This is having a significant detrimental impact on funding and income available for residents and their ability afford their day-to-day bills and essential expenditure. There are increasing reports of residents 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 rising cost of living means residents may fall into poverty, face eviction from their homes and suffer significant mental and physical detrimental health outcomes. This will not only affect the most vulnerable and deprived in the Borough that the Council and its partners are already aware of and supporting but also those who previously 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 The community, voluntary and faith (CVF) sector plays a hugely important role in Wirral, providing a wide range of activities and services to residents that improve health and wellbeing and contribute to the local economy. The sector has been critical to the response to the pandemic and will continue to have a pivotal role in supporting local communities through the cost-of-living crisis. Organisations based within the heart of local communities are well trusted and respected by residents who may not want to access help elsewhere. These organisations understand the needs and issues affecting local residents and understand where the monies will be most effective.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The other option is to not run the grant scheme, or to run the grant scheme at a lower value, which leaves local people more vulnerable to adverse outcomes. Establishing this grants programme reflects the ongoing needs reported by local communities and is also evidenced by data therefore other options, although considered, are not recommended.

3.0 BACKGROUND INFORMATION

- 3.1 The cost-of-living crisis is beginning to have a significant impact on people in every part of our borough. Price rises driven by energy price inflation are having an impact

on most households, with those on the lowest incomes likely to be hardest hit. The energy price cap is likely to rise again in the autumn, with the potential to precipitate a very real crisis for many people in Wirral during the winter period.

- 3.2 Poverty was increasing before Covid-19 and the pandemic has had a disproportionate impact on the poorest communities, and especially those living in deprived areas, black and minority ethnic communities, and disabled people. Having already had many temporary support and protections reduced or removed in autumn 2021, many people are now facing a cost-of-living increase which is going to significantly reduce their ability to afford essentials.
- 3.3 Poverty, poor health outcomes and health inequalities are inextricably linked. Marmot and others have set out that the lower a person's social and economic status, the more likely their health will be negatively impacted. People living in the more deprived neighbourhoods die earlier than those people living in the more affluent neighbourhoods. People living in poorer areas also spend more of their lives with a disability – an average total difference of 17 years. By driving people deeper into poverty, or by pushing those who had previously been coping into financial hardship, it is very likely that the rise in cost of living is going to increase health inequalities that have already been exacerbated by the Covid-19 crisis.
- 3.4 Illegal money lending is also getting worse, with more people using illegal lenders for essentials. The pandemic and subsequent events have also seen people affected who had generally been able to cope financially before, now in need of additional support. It is estimated that around half of the people who went onto Universal Credit during lockdown were completely new to the benefits system. There is also a growing cohort of people who are on low incomes but not low enough to be eligible for any further benefits and who are facing steep increases in their cost of living and their subsequent ability to cover essentials. Wirral foodbank reported 10% of individuals accessing their support were working and 50% were residents on low incomes.
- 3.5 **UNDERSTANDING IMPACT**
- Incomes are going down while costs are rising by more than 50%
 - Universal Credit has been reduced by £20 a week from autumn 2021
 - Energy and food prices are rising dramatically
 - Energy bills are rising by 54% on the average standard variable tariff. This includes significant increases in the Daily Standing Charge that even people using the minimum amount of energy have to pay.
 - Household debt has been increasing, with lower income households more affected.
 - Rents are increasing, especially in the private sector
 - Government-financed support schemes are reducing or stopping
 - Discretionary Housing Payment budget for help with housing costs has reduced by 30%
 - Some temporary funds to cover emergency essentials are coming to an end, including self-isolation payments and hardship support.
 - School holiday food vouchers for children eligible for Free School Meals have been provided for the last two years using Government funding – they are likely to continue during this academic year but funding may stop after that
 - Locally services have seen an 20% increase in people accessing support for

advice and information with the main reason cited being benefits, tax credits and universal credit. Nearly a quarter of all debt enquiries relate to fuel debt

- 3.6 Wirral Council has established a 'Cost of Living Action Group' chaired by the Chief Executive to co-ordinate local action. The groups mission is to "mitigate the impact on people already experiencing financial hardship, to prevent others from becoming financially insecure and to prepare to support people when they need help". This group will ensure that the CVF grant funding will compliment and not duplicate national Government funding packages of support to date and in the future. COMF funding is also overseen by a member led working group, who have approved this proposal.
- 3.7 This funding to local community organisations will enable additional capacity to support them in response to the evolving cost-of-living crisis. This funding will allow trusted, third sector organisations to increase the capacity of their services and support those communities and vulnerable residents who are most in need. The public health team have worked closely with the CVF forum regarding the programme and following learning from the delivery of grants programmes to date a straightforward application form process will be developed and utilised. Submissions will be evaluated by council officers with all applications being asked to address at least one of the following themes- food poverty, fuel poverty, warm hubs, debt and vulnerable groups (the main issues people are presenting with who require assistance). The grants programme will launch by the end of September 2022.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The grants programme will be funded in 2022/23 through the Contain Outbreak Management Fund (COMF) grant, provided to local authorities by national Government, to help reduce the spread of COVID-19 and mitigate the impact of the pandemic on health outcomes. Wirral has received £14,784,032 in COMF grant to date and can be used to fund initiatives until the end of the 2022/23 financial year.

5.0 LEGAL IMPLICATIONS

- 5.1 The COMF remains ring-fenced for public health purposes to tackle COVID-19, both directly through working to break the chain of transmission and indirectly with a focus on protecting the most vulnerable. COMF funding is designed to support Local Authorities to deliver the objectives set out in their Local Outbreak Management Plans. The specific public health activities that can be funded from the COMF are left to the judgement of local authorities in conjunction with their directors of public health.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 No significant resource implication beyond Council Officers time to establish and administer the grants programme.

7.0 RELEVANT RISKS

- 7.1 There is no risk related to funding as the Contain Outbreak Management Fund (COMF) grant allocation for Wirral in 2022/ 2023 has been confirmed. There is a risk to the health and wellbeing of local residents and of an unsustainable increase in service demand if COMF is not utilised to mitigate the impacts of the cost-of-living crisis. There is a risk if COMF is not utilised fully by March 2023, it will have to be returned. Hence the planned timeline for delivery of this programme to ensure sufficient time for the full funding pot to be allocated and spent. We will ensure we minimise risk of fraud throughout the programme delivery to protect public money.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Services described within this report are designed based on and respond to findings from a range of insight, including research conducted with local communities throughout the pandemic and through working with the Humanitarian Cell and wider Community, Voluntary and Faith Sector.

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 The Equality Impact Assessment for these decisions can be found here: <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

Actions to mitigate the cost of living crisis will also contribute towards attainment of Wirral Cool 2 Strategy, and the Councils carbon net zero target by 2030. For example:

- Heating and powering buildings currently makes up 40% of the UK's total energy usage. Support provided to reduce risks of fuel poverty may include improving the energy efficiency of homes, which will have a beneficial impact on reducing carbon emissions. The grant scheme may also reduce home energy use via the provision of warm hubs if established.
- Initiatives related to supporting people in food poverty may also support the reduction of food waste.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The additional money that this funding provides will improve the health and social outcomes of some of the borough's most vulnerable residents impacted by the cost-of-living crisis. This funding will allow trusted, third sector organisations to increase the capacity of their services and support those communities most in need.

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APPENDICES

None

BACKGROUND PAPERS

Cost of Living Crisis, Wirral Intelligence Service JSNA, Wirral Council:

<https://www.wirralintelligenceservice.org/state-of-the-borough/cost-of-living-crisis-2022/>

Citizens Advice Bureau, Cost of Living Crisis dashboard:

<https://wearecitizensadvice.org.uk/our-new-cost-of-living-dashboard-the-crisis-were-seeing-unfold-aac74fb98713>

Local Government Association, Cost of Living Evidence Hub: <https://www.local.gov.uk/our-support/safer-and-more-sustainable-communities/cost-living-hub>

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	09/06/2021