

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

Date – 5th July 2022

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Cllr David Thomas - Cabinet Member for Finance and Corporate Transformation

REPORT TITLE: Discretionary Cost of Living Support Scheme

REPORT FOR: Decision

1. Purpose

- 1.1 Welsh Government announced a package of measures to help people with the cost-of-living crisis. The package includes provision for a discretionary support scheme as well as for the main scheme. The funding allocated to Powys Council is £924,373.
- 1.2 The schemes are intended to provide immediate support to households as Wales recovers from the pandemic and to deal with the impact of increasing energy and other living costs.
- 1.3 A decision is needed from Cabinet to consider the scope and design of the scheme and agree the use of the funding.

2. Background

- 2.1 In developing a local Discretionary Scheme, Powys Council has complete autonomy to target the funds to best support its residents and to ensure its approach best suits the needs of individual households.
- 2.2 The main Cost of Living Support Scheme (COLSS) is being rolled out and covers paying £150 to all households: -
 - In receipt of Council Tax Reductions Scheme due to being on a low income in all Council Tax bands
 - In Council Tax Bands A to D.

This will support just under 36,000 households to the value of £5.39m. This assumes 100% take up of the main scheme.

- 2.3 The discretionary nature of this scheme allows Powys to consider other categories of people who pay Council Tax as well as tackling broader cost of living support issues that residents of Powys may have. Welsh

Government in its guidance states that the scheme can consider wider areas of support need such as: -

- Enhancing capacity within existing support functions to maximise income and provide effective advice.
- Linking with energy efficiency schemes for properties with high EPC ratings.
- Supporting Community Pantry and Food Club initiatives for access by wider community.
- Supporting transport/fuel initiatives in rural communities.

The value of an award is for the Local Authority to decide, and it can cover for example, an actual cost of living situation a resident face or an actual service cost like meals on wheels.

2.4 Funding not utilised from the main Cost of Living Support scheme after Administration costs are covered or not spent in this Discretionary scheme can be used to maximise support with new rounds of support to residents in this Discretionary scheme. A decision would therefore need to be made as part of this report approval process, how Powys Council wishes to use any unspent funds and how they should be allocated.

2.5 Engagement and views of potential key crisis areas for residents and communities have been sought from the following service areas and externally too: -

- Education
- Housing
- Adult Services
- Children's Services
- Foodbanks, Citizens Advice and P.A.V.O.
- Anti-Poverty Champion for Powys Council

2.6 Detailed analysis of Powys County Council Tax base has been undertaken to see where further Council Tax bands could be awarded a discretionary grant and a potential value rate. Given the number of properties in the higher bands, made this form of scheme award very difficult to have much value to residents. Also, the nature of an arbitrary band award whilst residents in other bands received nothing would not help the scheme design to be an inclusive scheme and therefore a different approach is needed in Powys.

3 Advice

3.1 It is recommended the scheme design for Powys, supports a broad range of initiatives and measures to help residents deal with the current crisis and is balanced between: -

- Directly supporting those most in need and vulnerable

- Provide some support to external agencies who give support to those in need in this crisis and are having increase in costs or demands or workload due to the crisis
- Provide some long-term support to help deal with some of the root causes of the crisis

The Welsh Government have stated that the scheme design should be to ensure funds reach the “pockets” of needy households as the key priority.

- 3.2 Welsh Government have advised that underspend in the main scheme fund can be used to support the discretionary scheme if not used and it is recommended that main scheme funds be diverted in this way if underspend occurs. The other choice for main scheme fund underspend would be to allocate that directly to the Council Tax account which could be an issue if this is done without a customer contacting us to ask for that, as it assumes the person wishes to take up the grant in every case.

Therefore, on balance the recommendation is to move the main scheme funds to the discretionary scheme.

- 3.3 A small group of Officers and Councillors should be established to:
- Agree priorities, outcomes and guidelines for each scheme element (including finalising design elements) within the scheme parameters
 - Determine how any underspend will be allocated across the scheme and in accordance with the principles of this scheme and Welsh Government guidance. For example: -
 - second set of payments to external agencies and foodbanks or other agencies that did not get payment first time around
 - different groups of in need residents that are identified
 - a second set of payments to service areas to directly support vulnerable residents.
 - Increase allocations within the scheme
 - Ensure allocation is not overspent
 - Outcomes are met
- 3.4 A breakdown of the proposed scheme design and reasons for inclusion are included in the table below

Scheme Item	Reasons	Number	Cost
£150 to residents in receipt of Disabled Band Reduction in all Council Tax bands	Likely that residents will be more vulnerable as will have mobility issue and in receipt of various disability benefits	122	£18,300

£150 to all residents in occupied properties that are currently exempt	Includes residents who have severe mental impairment, care leavers etc and so are residents who will be more vulnerable due to the nature of the exemption in their circumstances	480	£72,000
£150 to families of children on Free School Meals who do not receive Council tax Reduction	Residents will be on very low incomes or on means tested benefits (e.g., Universal Credit) and so are residents who will be more vulnerable. They may have already received support through the main scheme and checks would be needed to avoid duplication. 50% non-overlap estimated	150	£22,500
£150 to vulnerable young people	These are care leavers not included in the exemption scheme above but are considered vulnerable by Children's Services. Also Foster Carers and Connected Persons who need support with additional household costs and young people in Supported accommodation. Checks would need to be made to avoid duplication	248	£37,200
£150 to residents who have care needs in the community and have undergone a means test assessment	Residents will have extra costs and care needs and be on low incomes and so are residents who will be more vulnerable. They may have already received support through the main scheme and checks would be needed to avoid duplication. 50% non-overlap estimated	498	£74,700
£150 to residents who live in homes that have off-grid fuel supply	These residents have higher costs and who will therefore be more vulnerable in that sense. This scheme will not duplicate main scheme awards and Panel will design the final scheme	1000	£150,000

	outline to ensure awards go to those most vulnerable in line with the principles of the whole Discretionary scheme		
Home Loss Prevention Scheme	Housing administered scheme(s) to directly prevent homelessness for those who can't access rent arrears help through the Discretionary Housing Payment along with the ability to support those in who are mortgaged and at threat of losing their home. The reasons would need to be cost of living crisis related.	20	£20,000
£5k grant given to all foodbanks	<p>This fulfils the support to external agencies element of the discretionary scheme working directly with vulnerable customers in need.</p> <p>Following discussion with foodbanks, the preference from them was to receive the grant unspecified for most flexibility.</p>	11	£55,000
Up to £1k grant given to all breakfast clubs attached to schools	<p>This fulfils the support to external agencies element of the discretionary scheme and who will have higher costs to deliver the clubs in Powys schools which would mean they do not pass all or some of these costs onto parents.</p> <p>A graded grant decided by Panel up to £1k depending on the numbers of pupils attending could be awarded</p>	66	£40,000
£5k grants given to support agencies working directly with customers in need	<p>The agencies could include those that are providing direct support to residents with such things as debt advice and budget advice or to credit unions to support good financial management etc.</p> <p>This fulfils the support to external agencies element of the</p>	16	£80,000

	<p>discretionary scheme and these agencies will have higher costs and more workload pressures due to the increase in numbers of clients presenting with cost-of-living crisis issues.</p> <p>Checks would need to be made to ensure that the Council has not increased support to the agencies for this crisis already.</p> <p>Panel would decide the final amount and agencies supported</p>		
<p>Fund set up to allow those in Powys Council who work directly with vulnerable residents to alleviate cost of living crisis needs as they come across it</p>	<p>These residents may have very specific situations that need support that our teams can see and directly help alleviate issues as they come across them and be more flexible in the levels of help, they give. These residents will be considered more vulnerable, as they will be presenting to the Council anyway around our statutory services.</p> <p>Panel needs to decide if a top value should be allocated to an individual award made to a vulnerable person or whether a limit could cause issues. Also, it would need to ensure the final design of this scheme element has a consistency of approach and avoids any risk of duplication.</p> <p>Teams would need to confirm the need is for cost-of-living crisis issues and maintain some simple records for Welsh Government audit requirements</p> <p>Suggested service teams with access: - Adult Services Children's Services Housing Education Money Advice Team</p>	420	£105,000

Energy Efficiency work	<p>Panel will agree the final scheme principles after taking advice from Officers around the best means to apply energy efficiency in homes for Powys residents including for example installing photo voltaic panels and where needed battery backup systems too to suitable homes where we have already undertaken some energy efficiency work, but further work is needed.</p> <p>It will need to identify and support more vulnerable residents by intelligently identifying and fitting appropriate schemes</p> <p>This will support vulnerable residents directly now by reducing energy costs during this crisis, but more importantly, it should provide more long term and sustainable solutions to this crisis for the homes fitted which is one of the key priorities that this discretionary scheme is designed to achieve in Powys</p>		£250,000
			£924,700

- 3.5 The discretionary scheme funding is balanced between the 3 key objectives identified in Section 3.1
- Grants up to 93 external agencies that support residents amounting to £175,000.
 - Funding to help develop more long-term solutions to this crisis is £250,000.
 - Direct support up to potentially 3000 more vulnerable residents would be £499,700.

Direct support is 55% of the scheme total so it represents the highest value priority in line with Welsh Government intentions. However, it has to be recognised that the long-term solutions element will also directly support vulnerable residents with less energy costs and so including that element, 81% of the scheme design contributes to the overall Welsh Government intention that the funds support the finances of needy households as the key priority.

The total support is £924,700, but it would be anticipated that further support could be made available if there is underspend or if funding becomes available from the main scheme.

4. Resource Implications

- 4.1 There would be some resource implications for those who are responsible for allocating and governing funding.
- 4.2 Officers delivering services to residents in need would also have some additional resource implications in delivering it alongside Income and Awards and Creditors teams who will be administering payments.
- 4.3 These resources will be met from existing service budgets.
- 4.4 The Head of Finance (Section 151 Officer) notes the content of the report and can support the recommendation.

5. Legal implications

- 5.1 Legal: the recommendations can be accepted from a legal point of view
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Data Protection

- 6.1 None

7. Comment from local member(s)

8. Impact Assessment

- 8.1 The assessment has demonstrated that the scheme design is supportive overall towards key areas of the Well-Being Goals, Vision 2025 and on service delivery outcomes. It also shows that a scheme designed to help those with existing known poverty or known vulnerabilities circumstances rather than an arbitrary scheme makes a better contribution and impact to the Well-Being Goals, Vision 2025 and on service delivery outcomes.

The assessment also shows that Powys has attempted to design a scheme that delivers support to people directly in this crisis as a key priority but also has attempted to balance that support to some residents better with more longer-term solutions to the energy crisis. Finally, the assessment shows that the delivery mechanism of using existing service delivery within Powys to understand need and support

residents and also supporting agencies that deliver directly to residents in the crisis is the best approach too.

9. Recommendation

- 9.1 To approve that any underspend on the main Cost of Living Support Scheme (COLSS) is transferred to the Discretionary Scheme fund.
- 9.2 To approve the establishment of a Councillor and Officer Group as advised in Section 3.3 of this report.
- 9.2 To approve the Cost-of-Living crisis Discretionary Scheme set out in paragraph 3.4 of the report.

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