

**Report to the Cabinet**

Meeting to be held on Thursday, 6 October 2022

**Report of the Director of Public Health & Director of Strategy and Performance**

**Part I**

Electoral Division affected:  
(All Divisions);

**Corporate Priorities:**  
Caring for the vulnerable;

**Delivering Cost of Living Support in Lancashire**

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**Brief Summary**

The Cabinet meeting on 8 September 2022 noted the progress made on the notice of motion agreed by Full Council on 14 July in relation to utilising county council owned buildings to offer warm and welcome places. This included a cross party scrutiny task and finish group to identify best practices and the work undertaken by officers to support residents and businesses facing fuel, food, and debt insecurities.

This report provides a situation assessment and sets out the county council's intentions in delivering cost of living support across Lancashire.

**Recommendation**

Cabinet is asked to:

- (i) Endorse the county council's approach to support residents and businesses facing rising cost of living as set out in the report, and
- (ii) Authorise the Director of Public Health, in consultation with relevant Cabinet Members and officers, to implement the initiatives as set out in this report, including entering into contractual arrangements as appropriate.

## **Detail**

### **Context**

Increasing cost of living is likely to adversely impact vulnerable communities and businesses across Lancashire due to insecurities in fuel, food, and debt. A range of support is already available from the national Government and further new national policies will emerge as this situation unfolds.

Following the notice of motion agreed by Full Council, Lancashire County Council has plans to make use of its libraries to become warm and welcoming spaces. In addition, the council is also making significant financial contributions to support the successful implementation of the national effort through affordable warmth schemes and initiatives addressing food insecurities.

This report describes the council's approach and proposes further steps to support residents and businesses across Lancashire.

### **Situation assessment and operating principles**

This is a slow rising tide situation that will evolve over a prolonged period of time (6 - 12 months).

It is likely to manifest as additional demand for local government services and the NHS during the forthcoming winter. Left unmitigated, there is a realistic possibility of having excess winter deaths, widening inequalities and reduced productivity in the local economy.

The impact on businesses is not fully established. It is likely that some sectors, particularly the care sector, small and medium enterprises, and the voluntary, community and faith sector may become more vulnerable.

National policies remain central to supporting our residents and businesses. Our local response is multi-faceted and underpinned by our ability to manage business continuity whilst supporting vulnerable residents.

The county council's efforts, on its own, is necessary but not sufficient to respond to the local needs. The council has the recent experience of a well-rehearsed multi agency coordinated response to support vulnerable residents and businesses during the peaks of the COVID-19 pandemic. There is already a Lancashire chief executive officers' group to coordinate a similar response should the situation arise.

### **Core elements of our strategy**

1. Maximise the uptake of all national initiatives to support the cost of living via a locally co-ordinated multi agency communication campaign.
2. Adopt a phased approach for additional measures based on local needs to manage the consequences of fuel, food and debt insecurities.
3. Facilitate multi agency co-ordination and support the district councils in leading a local response.



4. Maintain shared intelligence on community or business impacts with local and national agencies.

### **National schemes to support cost of living**

National policy is evolving at the time of writing this report, there is a range of existing initiatives from the national Government including Energy Price Guarantee for households and the Energy Bill Relief Scheme providing a discount on wholesale gas and electricity prices for all non-domestic customers (including all UK businesses, the voluntary sector like charities and the public sector such as schools and hospitals) whose current gas and electricity prices have been significantly inflated in light of global energy prices. In summary:

- More than £2.5 billion has been paid out, helping more than 16 million households – 86% of those eligible – as part the £37 billion support package to help with cost-of-living pressures.
- Councils have been given £28 million to deliver the payments, including to set up software and recruit staff and they have until the end of September to do so.
- An additional £3.7 billion to councils in recognition of their vital role and to ensure they have the resources they need to maintain and improve their services.
- A £400 discount on energy bills this winter and eight million of the most vulnerable households will see £1,200 extra support.
- Households most in need will be eligible for further support in addition to the Energy Bills Support Scheme discount. This includes:
  - £650 one-off Cost of Living Payment for around 8 million households on means tested benefits.
  - A one-off £300 Pensioner Cost of Living Payment for over 8 million pensioner households to be paid alongside the Winter Fuel Payment.
  - Payment of £150 for around six million people across the UK who receive certain disability benefits.
  - £500 million increase and extension of the Household Support Fund.

### **Proposed approach to funding additional local initiatives**

Any additional investment by the county council will be based on local needs assessment and justification of the added value of the council's resources. Wherever possible, this will:

- Prioritise existing staffing to provide liaison/overall coordination with districts.
- Utilise all available national grants to fund additional communications campaigns and programme management as appropriate.
- Enhance existing contracts, in line with the core elements of the strategy, to enable an equitable approach to delivery of support or advocacy in identified areas of increased demand.



- Provide support to vulnerable groups through existing statutory obligations including Section 17 of the Children's Act, subject to approval.
- Continue to monitor, reassess, and consider national, regional, and local best practice.

Specifically, for the proposed improvement in pensions benefit take-up for residents aged 75 year and over, it is estimated that approximately 30% of those eligible do not claim Pensions Credit. In Lancashire, this would mean that from a population of 17,709 residents aged 75 years and over, there is a potential 7,509 additional claimants. Based on these estimated figures, if only 10% of those contacted take up £60 of weekly missed benefit per year, a total of £2,367,946 income would be generated. This figure does not include any other additional benefits which individuals may also be identified as eligible for, such as Attendance Allowance, Carer's Allowance or Council Tax Support, as part of the campaign.

### Targeted Advice and Support

Whilst recognising that library staff are already highly skilled and accustomed to assisting customers to access information and support, the Cabinet report considered on 8 September indicated that officers were exploring targeted advice and support for residents.

The following initiatives are proposed to complement initiatives already approved to support warm places, affordable warmth schemes (£1m) and community food projects (£180,000). These measures aim to scale up existing initiatives to address fuel and food poverty and increase benefits uptake/managing debts.

The county council intends to continuously monitor the situation and utilisation of these initiatives. Any additional schemes will be developed in consultation with district councils, the Voluntary, Community and Faith Sector, NHS and wider partners as the situation evolves over the coming months.

Project / Service	Funding	Mobilisation Period	Delivery Partner/s	Activity/Benefits
1. British Gas Energy Trust	£75,000	1 week lead-in time from date of funding approval	Citizens Advice	Increased capacity to process more referrals for specialist fuel debt advice
2. Under One Roof – Essential Household Goods Support Scheme	£132,000	1 week lead-in time from date of funding approval	Selnet	Provision of additional items including floor covering, bedding packs, kettles, pans, crockery and cutlery packs for those in crisis/immediate need. Additional co-ordinator time and pastoral care key worker.



3. Lancashire Benefit Appeals and Assessment Advocacy Service	£170,000	Approx. 3 weeks lead-in time from date of funding approval	I-CANN	Additional advocacy hours and support with demand for form filling help for disability related benefits – PIP, WCA/UC/ESA, child DLA and AA.
4. Support for substance misuse service users engaged in active deaddiction and recovery	£87,000	approx. 1 month lead-in period from date of funding approval	Inspire Change, Grow, Live	Food Vouchers to maintain successful completion of treatment/recovery
5. Library Training, Information & Support	£84,000	approx. 1 month lead-in period from date of funding approval	Lancashire Libraries	Target additional support activity in all libraries which includes the areas with lowest household incomes, low employment and poor health
6. Improving pension benefits uptake	£348,000	Approx. 6-8 weeks lead in time. For 2yrs.	District Local Authorities in collaboration with Welfare Rights	Provide specialist support to districts/CAB

## Consultations

Officers across the relevant council directorates have been engaged in identifying proposed initiatives. Developments have also been shared with the Overview and Scrutiny cross party task and finish group.

There is ongoing engagement with district councils, NHS, the Voluntary, Community and Faith Sector and wider stakeholders in coordinating the activity.

## Next Steps:

This report sets out the achievable and scalable activity that has taken place to date. Since the notice of motion was agreed in July, there have been further national initiatives. Therefore, the next phase is to make certain this first phase of delivery is effective whilst also continuing to work together with local stakeholders to monitor its progress, review new approaches and evidence, and ensure fairness across Lancashire.

## Implications

This item has the following implications, as indicated:

Financial resources (£896,000) will be identified from existing budgets and relevant grants, including the ring-fenced public health grant where appropriate.



This includes utilising the Household Support Fund that has been announced with the provisional allocation for Lancashire being £9.678m. The county council plays a facilitative role in making these resources available and will be reliant on district councils and wider stakeholders to co-ordinate the activity with residents.

## **Legal**

It is proposed that the Director of Public Health is authorised, in consultation with the relevant Cabinet Members, to enter into the proposed arrangements.

Legal advice will be provided in respect of each proposal on a case-by-case basis following consideration of the Public Contract Regulations, the county council's procurement rules, and the Subsidy Control (formerly State Aid) regime.

Legal assistance will be provided to draft the necessary and appropriate contractual documents.

## **Risk management**

Given the national policy is still evolving, there is a risk of duplication of effort. This will be kept under review and wherever possible direct activity in a targeted and phased manner.

The financial estimates in the report reflect the activity that will be undertaken in the next 6-9 months. Extending the activity beyond this period will require further decisions which will be presented as the situation evolves.

Not undertaking this targeted activity might lead to additional demand on higher cost statutory services, (e.g. adult social care) and widen inequalities across the county.

## **List of Background Papers**

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		

