

Pre-amble:

With inflation and interest rate rises continuing to put pressure on families and households' finances, a fund is proposed to be created to directly target those most at need and assist with the impact on public wellbeing.

This fund will be directed to those most in need to give immediate support and make a real difference by prioritising items necessary for day to day living such as food, energy costs and essential household items.

Amendment to the Budget:

“That Dorset Council establishes a Cost of Living Support Fund of £500,000, in total, to be spread over the next two years.

The fund to be financed by the amount remaining from central government support (estimated at £104k) with, given the extreme situation currently facing our residents, the remaining balance (estimated at £396k) taken from unallocated reserves”.

Proposed by Cllr Nick Ireland, seconded by Cllr Gill Taylor

Background Information:

The cost of living has been increasing across the UK since early 2021 with the UK's annual inflation rate at the highest it has been since 1982, affecting the affordability of goods and services for households - most significantly through rises in home energy costs, food, and fuel.

People living in rural areas are disproportionately affected by fuel price increases because of the lack of regular and interlinked public transport and longer distances to reach work, education, and health services.

Further, for those residents living in some areas, there is no price cap on solid fuel, bottled gas or heating oil, which many residents in rural villages use.

Support has been provided from various sources over the past two years, some means tested, and others more widely distributed but most have ended or are about to end.

The most recent (and final) tranche of the centrally funded Household Support Fund - a hardship fund to support those struggling with the cost-of-living crisis - closed within hours of opening in Dorset because of "unprecedented" demand.

Dorset is receiving £591k from government for the upcoming financial year (23/24) to help facilitate a move towards a full 100% Council Tax discount to those who are currently receiving the existing (Dorset Council) maximum of 90% discount. The estimated cost of this is £487k for the next financial year, leaving a balance of £104k.