

Cabinet

11 June 2024

Cost Of Living Report

For Decision

Cabinet Member and Portfolio:

Cllr R Hope, Customer, Culture and Community Engagement

Executive Director:

A Dunn, Executive Director, Corporate Development

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Report Status: Public (the exemption paragraph is N/A)

Brief Summary:

In February 2023, following a request from the former Leader of the council, the former Cabinet authorised a one-off amount of £2 million to be drawn from the General Fund reserves to deliver a programme of short and medium-term activities and schemes to support Dorset residents hardest hit by the cost-of-living challenge for the financial year 2023-24. The programme of activities was developed to complement and enhance the support provided by central government and Dorset Council.

On 7th March 2024, members of the former People and Health Scrutiny Committee reviewed and endorsed the programme and recommended that the impact of this funding was brought to the first Cabinet meeting of the new administration.

Recommendation:

1. Cabinet members note the funded activity for 2023-24 and the outcomes achieved.
2. Cabinet agrees to earmark a further £2m from Council reserves to support the continuation of a targeted programme of work to support our most vulnerable

residents and to complement and address any gaps in other national and local support programmes.

3. Cabinet delegates authority to the Portfolio Holder for Customer, Culture and Community Engagement, to agree the targeted programme of work in consultation with the Executive Director Corporate Development(S151) and having regard to any views and recommendations of the Place and Resources Overview Committee.

4. Cabinet agrees that financial support for the cost-of-living agenda will be considered as part of the Council's annual budget setting process.

Reason for Recommendation:

Extensive support has been provided to Dorset Council residents over the last 12-18 months as outlined in the earlier Cabinet report of 28 February 2023 and section 2 of this report. A proactive, targeted, and flexible approach to supporting Dorset's communities with the cost-of-living challenge in both the short and medium term, based on evidence and data sets will enable Dorset Council to continue to identify gaps in local and national support initiatives and target support to our most vulnerable residents.

1. Background

1.1 Many Dorset Council residents have been directly affected by the cost-of-living challenge. In many ways, Dorset residents are facing the same issues as people across the country. However, our 2022 research data showed one factor affects Dorset Council residents more than elsewhere in the country: the high cost of housing relative to earnings. This has been felt in higher rental and mortgage payments, which lead to lower or, in some cases, no disposable income with which to absorb any price increases to fuel, energy bills and food.

1.2 Since mid-2022, Dorset Council has worked closely with our statutory and voluntary & community sector partners through the 'Dorset Together – Cost of Living' network to support residents with the challenges they are facing. This programme developed into four initial priority workstreams:

1. Keeping warm and well
2. Food security
3. Support to increase volunteering
4. Keeping homes warm and energy efficient.

1.3 Proposals for various activities and schemes which could provide immediate and medium-term support to Dorset residents hardest hit by the cost-of-living crisis, funded by £2 million (taken from the General Fund reserves) for the financial year 2023-24 were developed and approved by Cabinet in February

2023. The results of the first three quarters of 2024 were presented to People and Health Scrutiny Committee in March 2024 who recommended to Cabinet that funding for the cost-of-living support should be extended and reviewed annually as part of the budget setting process. Both papers are available in the **background papers**.

2. Impact of the Cost-of-living funding

2.1 The below table shows a short summary of the impacts for each project.

No. & Project name	Impact Headlines
1. Targeted supermarket vouchers	<p>An additional 2333 £150 supermarket vouchers supplemented the Household Support Fund (HSF) creating an overall total of 12,000 available over the year.</p> <p>The top 5 wards were: 1 – Portland; 2 – Westham; 3 – Rodwell & Wyke; 4 – Bridport; 5 – Littlemoor & Preston</p>
2. Debt and CoL Advice	<p>Since September 2024 the specialist debt advisors have delivered the following:</p> <ul style="list-style-type: none"> • 298 clients helped. • 1,376 issues supported. • £259,358 in financial gains for clients
3. Healthy Homes Dorset	<ul style="list-style-type: none"> • A total of 109 households benefitted. • 58 households were low income. • 49 households had a long-term illness or disability. • 74 properties were classed as Park Homes • Top 5 wards 1 – Chickerell; 2 – Ferndown North; 3 – St. Leonards & St. Ives; 4 - Verwood; 5 - Portland
4. Discretionary Housing Payment (DHP) allowance	<p>Due to having to spend the annual Government grant first, this project only commenced in December 2023 and has offered an additional £131,000 to support the DHP officers to award longer term stability to those at risk of homelessness due to being able to stretch into this additional budget.</p>
5. Disabled Facilities Grant – Energy Efficiency support	<ul style="list-style-type: none"> • 64 disabled facilities energy efficiency grants in total • Average grant amount was £4,958. • Top 4 wards recipients were: Chickerell (5), Wareham (4), Bridport (4) Westham (4)
6. Food security	<p>Food projects funded support to over 4020 households per month.</p> <p>32% were to families with children; 38% disability (physical, mental health, learning disability, sensory); 12% pensioners; 32% other (inc. couples with none or no dependant age children, single people inc. temporary housing and HMOs).</p>

	The largest numbers supported were in Weymouth, Portland, Sturminster Newton, Sherborne and Wareham
7. Small energy efficiency adaptations	<p>Volunteer Centre Dorset (VCD) have received 208 referrals which come from a range of professional sources. Items distributed include heated throws, oversized hoodies, hot water bottles, heated blankets, blankets, radiator foil, microwaves, and air fryers.</p> <ul style="list-style-type: none"> • 75% of referrals are for people aged 40 and under • 47% of referrals are for adults living alone. • 35% of referral are for households with children. • 91% are struggling with utility bills and 35% are on a prepaid meter
8. Off grid energy discretionary vouchers	<ul style="list-style-type: none"> • A total of 330 off-grid £200 grants issued by CA. - 74 households with children; 145 households with a disability; 63 with a state pension age person; 220 Off-grid; 41 Gypsy Roma Traveller; 58 park home residents; 35 HMO. • Locations: Bridport 32; Dorchester 84; East Dorset & Purbeck 77; North Dorset 44; Sherborne 35; Weymouth & Portland 58
9. Additional pre-school hours for 3–4-year-olds going to school	<p>This additional funding has enabled 134 children in the 2023 summer term, 152 children in the autumn term 2023 and 161 children in the winter term, to access additional early education hours in their setting of choice. Impact for families included:</p> <ul style="list-style-type: none"> • support with the household with the cost-of-living situation. • ability to access additional paid work. • direct benefit to children’s development from the additional hours in a settled education environment
10. Targeted ‘ready to thrive’ locality programme	<p>Working with a target audience of parents and children who started school in September 2023 in partnership with HomeStart.</p> <p>75 children engaged with the HomeStart 2023 School Readiness programme. The programme of support included:</p> <ul style="list-style-type: none"> • funding school uniform and other opportunities to increase children’s preparation for the transition into school. • Maths programme for early years settings being rolled out from January 2024 • supporting and celebrating the development and strengthening of parent-child relationships in preparing children for school. • offering children with play activities aligned with key school readiness areas.

	<ul style="list-style-type: none"> Weekly focus groups for families discussing the significance of each area and discovering alternative ways to explore these topics at home
11. Homelessness Prevention	<p>The funds supported 179 households from being made / or at threat of being made homeless. The funding broke down as follows:</p> <ul style="list-style-type: none"> Rent arrears £13,716 Rent Deposits £28,391 Rents in Advance £72,893 Awareness Campaign £10,000 <p>Threat of homelessness continues to increase.</p>

3. Current situation

3.1 At the end of March 2024, national government announced an extension of the Household Support Fund (HSF) for a further 6-month period (April – September 2024). Dorset Council HSF received £2,294,941 and will continue to support free school meals for Dorset children during the school holidays and a host of other identified targeted support initiatives. Previously the projects supported by the Cost-of-Living fund boosted or complemented the HSF. A breakdown of the HSF projects signed off by Dorset Council Senior Leadership Team (SLT) in April 2024 are in **Appendix 1**

3.2 At the end of March 2024, national government cost-of-living energy payment support for residents in receipt of pension or universal credit ended and although the energy cap has fallen slightly to £1,690/annum, it remains at levels significantly higher levels than in 2020. Local Citizens Advice (CA) have already reported a general increase in contact from these residents enquiring about further energy support.

3.3 Food and shopping costs are now a 30% higher than April 2022 (approximate: Joseph Rowntree Trust).

3.4 In May 2024 CA reported that a total of 13,621 Dorset residents contacted them from support for 67,696 issues; 61% identified as long-term ill health / disabled. They also reported:

- The number of local residents asking for help every month has risen 10% since April 2023 and continues to rise.
- Dorset residents are facing mounting personal debt, and more Dorset residents start each month in 'negative budgets' mostly due to the rising costs of rents, energy and food.
- Dorset residents are struggling to pay their rent or mortgages and increasing 'no fault evictions' and losing or are at threat of losing their homes.
- In January 2024, CA supported a record number of residents who were struggling with increased fuel due to cold weather.

- People are continuing to struggle to feed their families.

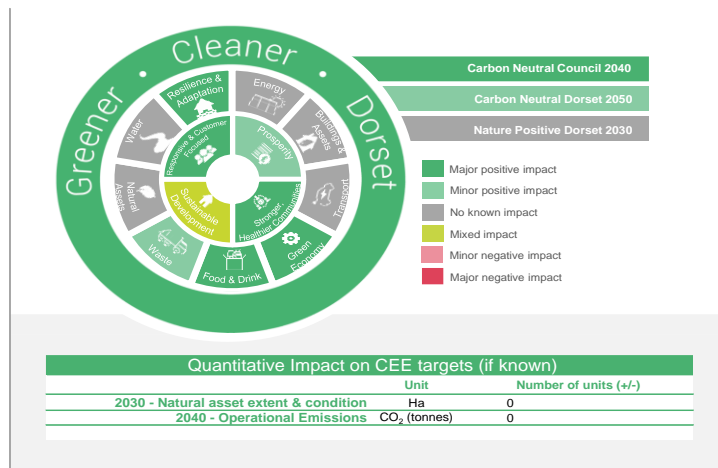
3.5 Local foodbanks and social supermarkets are reporting a continued increase in demand for their services, some, to levels exceeding their financial and volunteer capacity.

3.6 The Dorset Together: Cost-of-Living partnership working group have recently evaluated the 4 priorities and with the new trends being raised have added a further priority of Community Transport following feedback from our strategic community partners.

4. Financial Implications

A request that funding of up to a further £2m is earmarked from Council reserves be made available to support a targeted programme of work to support our most vulnerable residents and to complement and address any gaps in other national and local support programmes. Also, that financial support for the cost-of-living agenda will be considered as part of the Council’s annual budget setting process.

5. Natural Environment, Climate & Ecology Implications



ACCESSIBLE TABLE SHOWING IMPACTS

Natural Environment, Climate & Ecology Strategy Commitments	Impact
Energy	No known impact
Buildings & Assets	No known impact
Transport	No known impact
Green Economy	major positive impact
Food & Drink	major positive impact
Waste	minor positive impact
Natural Assets & Ecology	No known impact

Water	No known impact
Resilience and Adaptation	major positive impact

Corporate Plan Aims	Impact
Prosperity	minor positive impact
Stronger healthier communities	strongly supports it
Sustainable Development & Housing	neutral
Responsive & Customer Focused	strongly supports it

6. Well-being and Health Implications

The impacts of the well-being and health implications of the allocated funds are evidenced in this report.

7. Risk Assessment

7.1 **HAVING CONSIDERED:** the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Medium

Although the £2 million has achieved its purpose and has significantly supported our vulnerable residents to weather the cost-of-living challenge, the challenge has not ended. Emerging trends throughout this financial year have shown that housing issues have become more prevalent. There is a risk that our residents who may have been relying on some of the funded programmes, may not be able to bridge the financial gap now the funding support ended. Additionally, currently there is only 6-month financial provision from the current Government regarding the future of the HSF which supports many vulnerable people including paying for free school meal vouchers in the school holidays, supermarket vouchers (to support with increased energy prices), grants to foodbanks and social supermarkets and many others.

8. Equalities Impact Assessment

Proposals for the Cost-of-Living Challenge Cabinet paper 28 February 2023 were targeted at our most vulnerable residents. Means testing was used where possible to ensure the additional funding reaches those in greatest need.

Our research team undertook extensive data modelling to identify those households in greatest need. Using this data, we were able to identify gaps in national government and local support to date. We continue to work closely in partnership with our VCS partners such as CA and our food security organisations.

8. Appendices

- Appendix 1 - Breakdown of the HSF projects signed off by Dorset Council SLT in April 2024.

9. Background Papers

[Cost of Living Challenge Cabinet paper 23rd February 2023](#)

[Cost of Living Challenge People and Health Scrutiny paper 7th March 2024](#)

10. Report Sign Off

This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)