

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>THE EXECUTIVE</b>
<b>Date:</b>	<b>24 January 2023</b>
<b>Subject:</b>	<b>Cost of Living Discretionary Scheme – Phase 2</b>
<b>Portfolio Holder(s):</b>	<b>Robin W Williams – Portfolio Holder – Finance, Corporate Business and Customer Experience Llinos Medi – Council Leader</b>
<b>Head of Service / Director:</b>	<b>Marc Jones - Director of Function (Resources) / Section 151 Officer</b>
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<b>Local Members:</b>	<b>Applicable to all Members</b>
<b>A –Recommendation/s and reason/s</b>	
<p>The Executive is recommended to approve the following:-</p> <ol style="list-style-type: none"> <li>To expand the funding previously agreed under phase 1 to help with housing costs for people moving from temporary accommodation, to provide grants to any household where a housing need has been identified (flooring costs, furniture costs, food and rent arrears) where the household is not eligible for help under the Discretionary Housing Payment (DHP) scheme – see paragraph 2.3.4.</li> <li>To approve the additional phase 2 projects as set out in Appendix 1, paragraph 4.</li> <li>To authorise the Community Housing Service Manager to identify a suitable local partner / organisation(s) who could continue to provide cost of living support through the schemes set up by the Council beyond 31 March 2023, and to authorise the transfer of any remaining funds to the organisation identified, should all the funding not be utilised by the end of March 2023.</li> </ol> <p>Further background information and the reasons for the recommendations are set out in Appendix 1.</p>	
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>	
<p>Under the cost of living main scheme, around 23,000 households received a grant of £150. This covered around 70% of all the properties on Anglesey.</p> <p>Phase 1 of the Discretionary Scheme then provided additional support to other vulnerable groups which were not eligible for assistance under the main scheme, and to households which were considered to be in need of additional support (See Section 2, Appendix 1 for further details).</p> <p>Phase 2 extends the groups which are supported, but there is a risk that all the funding may not be utilised fully by 31 March 2023. Consideration was given to paying an additional grant to a group that has received funding under the main scheme e.g. households occupying Band A Council Tax properties, parents whose children are in receipt of free school meals etc.</p>	

However, it was considered that awarding a general grant to a specific group may result in households who are not in need receiving the grant when others who have a greater need could miss out. A more targeted approach was considered to be the best use of the funding.

**C – Why is this a decision for the Executive?**

Given the level of funding, and that helping households to deal with the cost of living crisis is a priority for the Council, it is viewed that the extension of the scheme and how the funding is used is a decision that rests with the Executive.

**CH – Is this decision consistent with policy approved by the full Council?**

Not applicable

**D – Is this decision within the budget approved by the Council?**

The funding for the scheme comes in the form of a grant from the Welsh Government and does not form part of the Council's core budget which has been approved by the Council.

**Dd – Assessing the potential impact (if relevant):**

1	How does this decision impact on our long term needs as an Island?	For residents receiving financial inclusion and / or welfare rights and / or debt advice as part of this service, this can have a positive impact on personal budgeting and finances.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Financial hardship can lead to demands for other Council services. Awarding the support to vulnerable groups who have not received funding through the main cost of living scheme, may reduce future costs for the Council.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	The design of the scheme is the responsibility of each individual Council in Wales, and they have the freedom to direct fund to those most in need in their area. Despite this, discussions have taken place at a local, regional and national level on which categories should be funded by the discretionary scheme.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	No
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Equality Impact Assessment undertaken
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	All groups considered

7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	The scheme has no impact on the use of the Welsh language. All applications for assistance will be dealt with in the applicant's chosen language.
<b>E - Who did you consult?</b>		<b>What did they say?</b>
1	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	The recommendations set out in the report have been agreed with the Leadership Team.
2	<b>Finance / Section 151</b> (mandatory)	The Section 151 Officer is part of the Working Group which drew up the scheme
3	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is a member of the Leadership Team and any comments from a legal perspective would have been considered by the Leadership Team.
4	<b>Human Resources (HR)</b>	Not applicable
5	<b>Property</b>	Not applicable
6	<b>Information Communication Technology (ICT)</b>	Not applicable
7	<b>Scrutiny</b>	The matter has not been considered by the Scrutiny Committee.
8	<b>Local Members</b>	Not applicable
9	<b>Any external bodies / other/s</b>	Third sector organisations that provide support have been part of the discussions on how to best utilise the funding.
<b>F - Appendices:</b>		
Appendix 1 – Detailed Report on the proposal		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
None		

**COST OF LIVING DISCRETIONARY SCHEME – PHASE 2****1. GENERAL OVERVIEW OF FUNDING**

- 1.1. The Welsh Government initially provided each Council in Wales with a sum to cover the cost of the main scheme (£3.44m), and an additional £580k was provided to cover the cost of the discretionary scheme. Any underspend from the main scheme was to be transferred as additional funding for the discretionary scheme.
- 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. In developing a local Discretionary Scheme, each local authority has complete autonomy to target the funds to best support its residents and to ensure its approach best suits the needs of individual households.
- 1.4. Under the main scheme, 22,999 eligible households were issued with a voucher to the value of £150 that could be redeemed at the Post Office. Of these 1,036 vouchers were not redeemed and, as such, £155,400 (1,036 x £150) can be transferred to the discretionary scheme, taking the final funding to £735,400.

**2. PHASE ONE OF THE DISCRETIONARY SCHEME**

- 2.1. In June 2022, the Executive approved phase 1 of the Discretionary Scheme.
- 2.2. The following groups who were not eligible under the Main Scheme would receive a grant of £150, administered by the Revenues and Benefits Team.

**Update of Payments Made to Groups not Eligible under the Main Scheme**

Group	Potential Number of Applicants	Budget £	Number of Payments Made to Date	Expenditure to Date £
Providing or Receiving Care (Classes I & J)	15	2,250	10	2,250
Severe Mental Impairment (Class U)	135	20,250	119	17,850
Care Leavers (Class X)	10	1,500	7	1,050
Unpaid Carers – see note 1 below	100	15,000	1	15,000
Affected by the Benefit Cap – see Note 2 below	Unknown		0	0
Households who would have been eligible but moved into a qualifying property after the qualifying date – see Note 3 below	100	15,000	0	0
Residents living in supported accommodation – see Note 4 below	50	7,500	0	0
Social Housing Sector Bands E and above	20	3,000	0	0

- Note 1 – The total sum was paid over to Carer’s Outreach, who have assessed applications and awarded grants on behalf of the Council.
- Note 2 – No household that has been affected by the benefit cap but did not receive support under the main scheme has been identified.
- Note 3 – An application process for those falling into this category will be opened in January 2023.
- Note 4 – this aspect is covered by the homeless and housing need aspect within phase two.

### **2.3. Homelessness Hardship Funding**

**2.3.1.** In June 2022, the Executive approved a hardship fund for residents moving out of emergency accommodation into settled accommodation, whereby up to £300 can be made available. Funding is used to cover immediate fuel costs, such as oil. Additionally, this aspect can support furniture costs, to include flooring. This funding of £50,000 is administered by our Statutory Homeless Service based on assessed need.

**2.3.2.** Referrals for this part of the scheme is undertaken by our statutory homelessness service and Housing Support Grant providers. This scheme went live in October 2022. The level of financial support varies between applications, whereby some applicants have received a higher amount in order to cover the costs of flooring within their new properties (for example, larger families moving from temporary to permanent accommodation). This aspect of the scheme has been widely promoted with our statutory homelessness service and Housing Support Grant providers.

**2.3.3.** As at December 2022, the following had been achieved:-

<b>Reporting Aspect</b>	<b>Data and Information</b>
Number of Applications Received	69
Number of Applications Approved	69
Number of Applications Rejected	0
Total Spend to Date	16,670
Total to be Spent (Pipeline Applications)	1,200

**2.3.4.** Whilst assessing cases, it has become clear that the need for support with housing costs is wider than that of just people who are moving from temporary accommodation, and the support should be extended to those in general housing need.

### **2.4. Students in Higher and Further Education**

**2.4.1.** As students who rent or own their own property are disregarded for the purposes of assessing Council Tax, students that live alone in eligible properties under the main scheme would not have received any assistance, despite facing increased energy costs.

**2.4.2.** 55 students were identified as qualifying for assistance under the discretionary scheme, and vouchers will be issued during January 2023.

## **2.5. Armed Forces Veterans**

**2.5.1.** £10,000 of the discretionary funding was allocated, with SSAFA administering the scheme to armed forces veterans on behalf of the Council. To date, 2 applications have been approved with a total of £200 awarded, but SSAFA believe that demand will substantially increase in January 2023.

## **2.6. Discretionary Awards to those Experiencing Financial Hardship**

**2.6.1.** As part of phase one of the Discretionary Scheme, applications were invited from Anglesey residents who were experiencing financial hardship but who could not access the usual sources of hardship funding e.g. Discretionary Assistance Fund. The applications were assessed by the staff at the J.E.O'Toole Centre, the Financial Inclusion Team and CAB Ynys Môn with a budget of £100k allocated to meet the costs

**2.6.2.** Grant payments are made using the Charis 'Shop', where grants can be made in the form of cash payments, shopping vouchers for the main supermarkets all on Anglesey and energy top ups, all delivered by text or email within minutes of the application being approved directly to successful claimants.

**2.6.3.** As at 3 January 2023, 95 applications had been received, with 71 being approved. Awards totalling £17,500 have been made to date. It is, again, anticipated that demand will increase in January 2023.

## **3. PHASE 2 PROPOSALS – ALREADY COMMITTED**

### **3.1. Energy Efficient Packs**

**3.1.1.** Energy efficiency packs, in the form of equipment such as electric blankets, electric shawls, energy efficient bulbs, thermals and flasks, can help to reduce a household's energy consumption. An energy efficiency pack for 4 people costs in the region of £250.

**3.1.2.** Energy efficiency packs would be awarded to warm space attendees. Work has commenced to identify the recipients, and should be completed by the end of January 2023. An estimated £30,000 will be required to fund this project.

### **3.2. Anglesey Food Bank**

**3.2.1.** Following an approach by Anglesey Food Bank to IoACC for support to cover salary costs, they have received £12,200. The outcome of this is that they can continue to employ two staff members in order to deal with the incoming demand and continue with rural deliveries. This was approved by Housing Services & Financial Services portfolio holders.

### **3.3. Samaritans**

**3.3.1.** Following an approach by the Samaritans, £10,000 has been provisionally agreed from this funding in order to provide essential mental health support to Anglesey residents.

### **3.4. Christmas Food Project**

**3.4.1** Each year, the Council and various partners undertake a Christmas food project. In previous years, we have distributed food hampers and gifts. Due to current demands on our services, it was decided that the festive food project for 2022 would be voucher-led. Recipients chose from their supermarkets of choice or local businesses, such as butchers. Residents were referred through professionals, which includes health workers, social services, housing, Housing Support Grant providers, North Wales Police, 3rd sector partners and much more.

**3.4.2** Given that the need for this support was over the Christmas period, awards were made without the Executive's formal approval. 430 households received support, with a total cost of £27,000.

## **4. PHASE 2 FURTHER PROPOSALS**

### **4.1. Anglesey Residents with Health Conditions**

**4.1.1.** Several Anglesey residents with severe health conditions utilise essential electronic health equipment at home, as part of their treatment or to maintain a better quality of life. As a result, these households are facing unavoidable increased energy costs. Four main groups of patients have been identified, kidney dialysis patients, motor neurone patients, MS patients and cystic fibrosis patients.

**4.1.2.** It is proposed to award grants to Kidney Care Wales, the Motor Neurone Society, the MS Society and the Cystic Fibrosis Society, who would then assess applications from individuals and make the grant awards. £10,000 would be allocated to Kidney Care Wales, with £5,000 being awarded to the 3 other organisations.

### **4.2. Residents who Utilise Oil to Heat their Homes**

**4.2.1.** To date, households who use oil to heat their homes have not received any support from the Government, despite a significant rise in the cost of domestic heating oil during 2022. The UK Government are intending to implement a scheme, but this has not happened yet.

**4.2.2.** Anglesey has 3 main suppliers of domestic heating oil, and it is proposed that the Council deposit £10,000 with each company and use the fund to purchase oil on behalf of households who are experiencing financial hardship. Additionally, £5,000 is included to purchase logs and coal from local providers.

**4.2.3.** Applications would be assessed by the J.E. O'Toole Centre staff, the Financial Inclusion Team and CAB Ynys Môn, who would then place orders with the suppliers directly.

**4.2.4.** A formal agreement between the Council and the suppliers would be required to ensure that the Council can recover any unspent money.

## **5. SUMMARY OF THE FUNDING POSITION**

**5.1.** Based on the funding received, the commitments made to date and the additional budget proposals, the funding position is set out in the table below:-

	£	£
Original Funding from Welsh Government	580,000	
Transfer of Underspend from the Main Scheme	155,400	
<b>Total Funding Available</b>		<b>735,400</b>
<b>Budget Allocated to Phase 1 projects</b>		<b>320,000</b>
<b>Phase 2 Projects Already Committed</b>		
Energy Efficient Packs	30,000	
Anglesey Food Bank	12,200	
Samaritans	10,000	
Christmas Food Project	27,000	
<b>Total Phase 2 Projects Already Committed</b>		<b>79,200</b>
<b>Additional Phase 2 Projects</b>		
Health Conditions Support	25,000	
Support with Heating Oil Costs, logs and coal	50,000	
Housing Support Grant provider funds to directly administer	50,000	
<b>Total Additional Phase 2 Projects</b>		<b>125,000</b>
<b>Total Allocated Budgets</b>		<b>524,200</b>
<b>Remaining Unallocated Funding</b>		<b>211,200</b>

## 6. UTILISING THE REMAINING FUNDING

- 6.1. The Welsh Government has been very clear that it is expected that the Discretionary Scheme must come to an end by 31 March 2023 and that any unspent funding would be returned to them.
- 6.2. Although £524,200 has been allocated to specific projects, it is unlikely that all the projects will spend the allocated budget by 31 March 2023 and that there will be additional unspent funding to add to the £211,200 of unallocated funding.
- 6.3. The cost of living crisis will not end on the 31 March 2023, and households will still need help and support beyond this date, particularly when the UK Government's energy support scheme changes in April 2023, with less households receiving support at a time when energy prices will rise again.
- 6.4. Enquiries have been made with Welsh Government, and they are happy to accept that the funding has been properly spent if the Council distributes the remaining funding to a third sector organisation or organisations, which they would use to either to continue to support households in the groups already supported under the Council's discretionary scheme, or to provide support to Anglesey residents in any other way.
- 6.5. Time is now short, and there needs to be urgent discussions with third sector organisations to see if they are willing to continue to provide support after 31 March 2023, utilising any of the unspent funding.



