

<b>SUBJECT:</b>	<b>DISCRETIONARY COST OF LIVING SUPPORT SCHEME</b>
<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>29<sup>TH</sup> JUNE 2022</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

**1. PURPOSE:**

- 1.1 To agree a Monmouthshire Discretionary Cost of Living Support Scheme to distribute £498,551 of funding to support those most impacted by the Cost of Living crisis.

**2. RECOMMENDATIONS:**

- 2.1 To note the basis of the mandatory scheme which is currently being implemented.
- 2.2 To consider Options 'A' and 'B' for the discretionary element of the 'Cost of Living Support Scheme as detailed within paragraph three of the report and approve the recommended 'Option A'.
- 2.3 To delegate authority to the Chief Officer for Communities and Place in consultation with the Leader/Cabinet Member Equalities and Engagement to make minor adjustments to the scheme to ensure the full amount is distributed.

**3. KEY ISSUES:**

**3.1 Welsh Government Cost of Living Support Scheme**

**3.1.1 The Mandatory Scheme**

Welsh Government has provided funding to local authorities to provide a one-off £150 cost-of-living payment to all households in properties in Council Tax bands A to D, and to households in all Council Tax bands who receive support through our Council Tax Reduction Scheme. Where households pay their Council Tax through direct debit these payments will be made automatically. Where the Council does not hold bank details for these households, letters are being sent asking them to provide details in order that payments can be made.

- 3.1.2 Full details on the scheme can be found at: [Cost of Living Support Scheme: guide for local authorities | GOV.WALES](#)

**3.1.3 The Discretionary Scheme**

In addition to supporting the eligible categories outlined above through the mandatory scheme, each Local Authority may use the funding provided under the Discretionary Scheme to provide support to households it considers to need assistance with their living costs. This support may take any form the Council considers appropriate to satisfy the aims of the scheme. For example, a payment to a household not already covered in the main scheme; an additional payment on top of the £150 or by covering the cost of other services

provided to households in need by setting up an emergency fund to deal with a specific issue.

3.1.4 Each local authority has complete autonomy to determine how it utilises the available funds in its area to achieve the aims of the overall scheme and in respect of the amount that is paid under the Discretionary Scheme.

3.1.5 Monmouthshire has been allocated £498,551 through the Discretionary Scheme. In designing the options proposed below, officers have engaged widely with national and local partners and stakeholders. A balance has been sought between the following factors:

- Direct payments to individual households – such payments allow allows individuals to make efficient decisions which suit their circumstances best and which provide autonomy;
- Impact – considering the scale of the financial pressures many households are facing, a single payment may make only a relatively small impact, whereas larger payments to support community infrastructure (including advice and support services) can have a longer-term impact, benefiting more people;
- Targeting – approaches which are highly targeted are in some respects more efficient in benefiting those in the greatest need, but also come with a risk of designing out support for others who may be in need but not meet the specified criteria;
- Delivery – any agreed scheme should be proportionate and must be deliverable within existing systems and resource constraints before the payment deadline of 30<sup>th</sup> September. For instance, schemes which require households to actively claim the funding available are usually less effectively delivered than those which use already held data and bank details.

3.1.6 In light of the above, two possible options are set out below (Option A and Option B) with differing degrees of weighting placed upon each of the above considerations.

### 3.2 Option A: Scheme comprised of direct payments and targeted resilience support

3.2.1 The option set out below seeks to maximise the amount of funding delivered directly to individual households. This is achieved through a blend of direct payments to households and to community resilience support that is designed to support households in maximising their incomes. Evidence shows that these services are very effective in maximising income; as an illustration one welfare rights advisor (salary of c.£28k) has been able to support 75 clients over a 12-month period, increasing or maintaining benefit to the value of £741,208.

**Table 3.2.2**

Ref	Intervention – direct payments	Rationale	Estimated number affected	Estimate of cost implication
A1	Occupied by a Care leavers	Corporate parenting duty and financial vulnerability due to absence of wider networks of support	8	£1,200

Ref	Intervention – direct payments	Rationale	Estimated number affected	Estimate of cost implication
A2	Occupied by a person who has a Severe Mental Impairment	Households with disabilities incur additional unavoidable cost of living expenses	213	£31,950
A3	Unoccupied property where person moved to receive care	Will still have bills to pay in respect of the property. Standing charges, insurance etc	12	£1,800
A4	Unoccupied property where person moved to provide care	Will still have bills to pay in respect of the property. Standing charges, insurance etc	2	£300
A5	Under 18s living alone	The residents will in most cases be paying the utility bills and should be entitled to a payment to assist with the cost of living.	18	£2,700
A6	Houses of Multiple Occupation	Will not have received payment through main scheme but will still incur rising living expenses. 3 registered HMOs in the county. A reasonable estimate of individuals would be 15	15	£2,250
A7	Occupied by full time student	Fixed income which will not reflect increases in living costs	57	£8,550
A8	Disabled Band E-I	Households with disabilities incur additional unavoidable cost of living expenses	95	£14,250
A9	Payments for those in receipt of Fee School Meal recipients in any band (as of 15th Feb)	Families with children are at greater risk of experiencing poverty.	1,133	£169,950
A10	Occupied granny annex	Separate household from main property not captured through main scheme	41	£6,150
A11	Increase value of Discretionary Housing Payment pot	Monmouthshire currently receives £116,000 from the DWP and MCC top this up by £60,000 to a total of £176,000. The legislation allows for councils to top up their DHP by no more than 2.5% of the DWP award. So, in Monmouthshire this would be £290,000 in total. The referrals to MCC's housing support service demonstrate a need for upstream support for those at potential risk of homelessness.		£114,000
A12	Households in temporary accommodation	Will not have received main scheme but known to be under intense financial pressure	178	£26,700
			<b>Total direct payments:</b>	<b>£379,800</b>

Ref	Intervention –targeted resilience support	Rationale	Detail	Estimate of cost implication
A13	Fund additional income maximisation officers within the Housing Support Service	The customer feedback for this service has been extremely strong showing it to be highly effective. The system of support for people in financial difficulties is complex and fragmented. This is particularly challenging to navigate when experiencing stress caused by financial strain. There is currently, very limited capacity to take on any further caseload.	1 x officer at Grade F SCP (19-23) £25,927 - £28,226 fixed term until March 2023	£28,163
A14	Support for third sector advice and information provision	As with MCC support and advice services, there is an issue with capacity. There are also systemic pressures which include the length of time required to fully train an advice worker and several third sector organisations (including Citizens Advice, Mind and Pobl) reporting the staff retention issues that are caused by short term funding.	Citizens Advice 1 x advice worker	£38,000
			Mind Monmouthshire IAA worker (which would release the more specialist Welfare Rights Advisor to do more hours in specialist role)	£18,000
A15	School hardship funds	Based on experience of a pilot in the Chepstow cluster, and of individual school led funds in other areas. Allows payments to be made based on a qualitative assessment of need and can improve home/school relationships. There is a risk that some schools may not feel comfortable making these decisions and not all schools currently have the structures set up to receive the money. Working on a cluster basis should ameliorate this somewhat.	£18,000: £4,500 per cluster	£18,000
A16	Fuel vouchers	In recognition of the particular and acute pressure placed on households by rising energy costs. To be administered through third sector organisations (e.g., CAB , food banks) where structures already exist. This amount would be in addition to £20k pilot about to be rolled out through foodbanks. N. B mechanisms are currently only in place to provide fuel vouchers to households on pre-payment meters.		£16,500
		<b>Total Targeted Resilience Support:</b>		<b>£118,663</b>
		<b>Grand Total:</b>		<b>£498,463</b>

### 3.3 Option B: Blended approach with higher weighting towards community resilience

3.3.1 Option B makes direct payments to all the categories identified in Option A, but with a lower payment of £100 instead of £150 to households eligible for free school meals. This allows for a higher level of funding to be made available for community support and resilience spending.

**Table 3.3.2**

Ref	Intervention – direct payments	Rationale	Estimated number affected	Estimate of cost implication
B1	Occupied by a Care leavers	Corporate parenting duty and financial vulnerability due to absence of wider networks of support	8	£1,200
B2	Occupied by a person who has a Severe Mental Impairment	Households with disabilities incur additional unavoidable cost of living expenses	213	£31,950
B3	Unoccupied property where person moved to receive care	Will still have bills to pay in respect of the property. Standing charges, insurance etc	12	£1,800
B4	Unoccupied property where person moved to provide care	Will still have bills to pay in respect of the property. Standing charges, insurance etc	2	£300
B5	Under 18s living alone	The residents will in most cases be paying the utility bills and should be entitled to a payment to assist with the cost of living.	18	£2,700
B6	Houses of Multiple Occupation	Will not have received payment through main scheme but will still incur increased living costs. 3 registered HMOs in the county. A reasonable estimate of individuals would be 15	15	£2,250
B7	Occupied by full time student	Fixed income which will not reflect increases in living costs	57	£8,550
B8	Disabled Band E-I	Households with disabilities incur additional unavoidable cost of living expenses	95	£14,250
B9	Payments for those in receipt of Fee School Meal recipients in any band (as of 15th Feb)	Families with children are at greater risk of experiencing poverty. <b>£100 payment</b>	1,133	£113,300
B10	Occupied granny annex	Separate household from main property not captured through main scheme	41	£6,150
B11	Increase value of Discretionary Housing Payment pot	Monmouthshire currently receives £116,000 from the DWP and MCC top this up by £60,000 to a total of £176,000. The legislation allows for councils to top up their DHP by no more than 2.5% of the DWP award. So, in Monmouthshire this would be £290,000 in total. The referrals to MCC's housing support service demonstrate a need for upstream support for those at potential risk of homelessness.		£114,000
B12	Households in temporary accommodation	Will not have received main scheme but known to be under intense financial pressure	178	£26,700
			<b>Total direct payments:</b>	<b>£323,150</b>

Ref	Intervention – direct payments	Rationale	Estimated number affected	Estimate of cost implication
	Intervention: community support	Rationale	Description of funding	Indicative cost
B13	Fund additional income maximisation officers within the Housing Support Service	The customer feedback for this service has been extremely strong showing it to be highly effective. The system of support for people in financial difficulties is complex and fragmented. This is particularly challenging to navigate when experiencing stress caused by financial strain. There is currently, very limited capacity to take on any further caseload.	1 x officer at Grade F SCP (19-23) £25,927 - £28,226 fixed term until March 2023	£28,163
B14	Support for third sector advice and information provision	As with MCC support and advice services, there is an issue with capacity. There are also systemic pressures which include the length of time required to fully train an advice worker and several third sector organisations (including Citizens Advice, Mind and Pobl) reporting the staff retention issues that are caused by short term funding.	Citizens Advice 1 x advice worker  1 x Mind Monmouthshire wellbeing support worker (which would release the more specialist Welfare Rights Advisor to do more hours in specialist role) £18,000	£37,750   £17,750
B15	School hardship funds	Based on experience of a pilot in the Chepstow cluster, and of individual school led funds in other areas. Allows payments to be made based on a qualitative assessment of need and can improve home/school relationships. There is a risk that some schools may not feel comfortable making these decisions and not all schools currently have the structures set up to receive the money.	£10,000 per cluster	£40,000
B16	Fuel vouchers	In recognition of the particular and acute pressure placed on households by rising energy costs. To be administered through third sector organisations (e.g., CAB , food banks) where structures already exist. This amount would be in addition to £20k pilot about to be rolled out through foodbanks. N. B mechanisms are currently only in place to provide fuel vouchers to households on pre-payment meters.		£16,500

Ref	Intervention – direct payments	Rationale	Estimated number affected	Estimate of cost implication
B17	Support to build, promote and formalise community-giving / mutual aid structures across the county.	We know from experience that Monmouthshire citizens are generally civic-minded and keen to offer support to others in their communities. Examples of highly flexible mutual aid type organisations already include ‘Cwtch Angels’ in Abergavenny, ‘Help for All’ in Goytre and, to some extent, ‘Chepstow Covid Helping Group’. With some support to develop models and structures there may be considerably ore benefit to be realised from this approach.	One officer at grade H fixed term until March 2023 £33,375	£33,375
			<b>Total support interventions:</b>	<b>£178,875</b>
			<b>Grand total:</b>	<b>£498,525</b>

#### **4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**

- 4.1 Rapid payments made from the Cost of Living Support Scheme will have a positive impact for recipients. The support will help maximise income to households and will help reduce hardship in the county. Efforts have been made to specifically target funding toward the most vulnerable groups.

#### **5. OPTIONS APPRAISAL**

- 5.1 Members are invited to consider Options A and B as set out in Tables 3.2.2 and 3.3.2 above and approve the recommended ‘Option A’.

#### **6. EVALUATION CRITERIA**

- 6.1 The scheme will be monitored closely as it is rolled out, with close consideration paid to the number of households who have received direct and indirect support – and in respect of any anticipated underspend, to ensure that the full allocation is used.

#### **7. REASONS:**

- 7.1 This decision is required in order for the Council to deploy the funding allocated to it under the discretionary element of the Welsh Government Cost of Living Support Scheme.
- 7.2 Option A is the preferred recommendation for the following reasons:
- Alignment with the Council’s Strategic Objectives;
  - Provides 75% in direct payments and 25% supporting local organisations alongside recruitment of an additional Income Maximisation Officer within the Housing Support Service to provide direct support to individuals in need;
  - Provides an appropriate level of consistency with schemes for other authorities.

## **8. RESOURCE IMPLICATIONS:**

8.1 As set out in the Tables above. The costs associated with the Scheme itself are fully covered by the funding provided from Welsh Government. The Council can move funding between the main scheme and discretionary scheme as it deems necessary to achieve the overall aims of the scheme.

## **9. CONSULTEES:**

- Cabinet;
- SLT;
- Communities and Place DMT;
- Chief Officer, Communities and Place;
- Head of Shared Revenues and Benefits Service;
- Head of Enterprise and Community Animation;
- Tackling Poverty & Inequality Steering Group (including GAVO, Citizens Advice, Mind Monmouthshire);
- Flexible Funding and Housing Support Strategic Manager

## **10. BACKGROUND PAPERS:**

10.1 Welsh Government Guidance for Cost of Living Support Scheme (link in body of report)

11. **AUTHOR:** Judith Langdon, Social Justice Innovation Manager

## **12. CONTACT DETAILS:**

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