

Name of meeting: Overview and Scrutiny Management Committee
Date: 24/10/2023
Title of report: Cost of Living – Scrutiny Update October 2023

Purpose of report:

This paper seeks to update Scrutiny on the work being undertaken as part of the Council’s Cost of Living Programme and requests feedback from Members on progress to date.

Scrutiny members are asked to consider the following questions:

- a) What comments do you have on the progress of the Cost of Living programme so far?
- b) Bearing in mind budget challenges, are there any Cost of Living areas which you feel need further development or where further connections can be made?
- c) Would you like more information on any of the programme areas?

Key Decision	Not Applicable
Key Decision - Is it in the <u>Council’s Forward Plan (key decisions and private reports)?</u>	No This is only applicable to Cabinet reports
The Decision - Is it eligible for call in by Scrutiny?	Not Applicable
Date signed off by <u>Strategic Director</u> & name	Rachel Spencer-Henshall 10/10/2023
Cabinet member http://www.kirklees.gov.uk/you-kmc/kmc-howcouncilworks/cabinet/cabinet.asp	Cllr Paul Davies – Deputy Leader and Corporate

Electoral wards affected: The programme of work covers the entirety of the district and is currently being delivered.

Ward councillors consulted: Whilst ward members have not been consulted on this specific scrutiny report, Active Citizens and Democracy officers have worked closely with ward councillors via their place based working. This is explored further in the report.

Public or private: Public

Has GDPR been considered? There are no GDPR considerations at this point.

1. Summary

This paper seeks to update Scrutiny on the work being undertaken as part of the Council's Cost of Living Programme and requests feedback from Members on progress to date.

Scrutiny members are asked to consider the following questions:

- a. What comments do you have on the progress of the Cost of Living programme so far?
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2. Information required to take a decision

Background

2.1 National context

In 2022 inflation rose significantly across most goods and services, peaking at 11.1% in October. This was mostly a result of the increase in energy costs caused by the invasion of Ukraine but was also influenced by global supply-chain issues and increases in spending following the pandemic.

As the Institute for Government (Feb 2023) has noted:

'high inflation has hit lower-income households hardest, mostly because of the sharp increases in gas and electricity prices. As a share of total spending, the lowest-income households are almost three times as exposed to energy costs as the highest-income households' ([link](#))

The rate of inflation has decreased significantly throughout 2023, but that only means that prices have increased more slowly, not that prices will fall. In addition, universal energy bill support ended in March 2023.

This means cost of living pressures are set to remain for years to come. The Resolution Foundation (January 2023) have projected that wages will grow slower than prices, meaning that real wages (wages compared with costs) will not return to their Q1 2022 level until the end of 2027 ([link](#)).

2.2 Kirklees programme

Set-up

The programme was set up quickly last year to support a more efficient and effective Council response to the Cost of Living crisis. Building on the learning and relationships developed through the pandemic response, the Council, partners, and communities quickly began responding to the effects of the increasing cost of living on people in Kirklees. Activity was happening quickly, but there were inefficient communication mechanisms (e.g. duplication of information sharing), missed opportunities for collaboration, and increasing requests from senior officers and elected members for assurance that work was underway and on track. The cost of living programme was created in order to streamline communication, address

issues, and provide assurance. Officers were also conscious of providing a response that focused on which levers of influence could be enabled by the Local Authority directly, whilst recognising the value and importance of relationships with partners. The programme was set-up by the Public Health and Policy, Partnerships, and Corporate Planning services, with oversight from the Corporate Portfolio Holder. It was felt that these 2 services have good connections across the Local Authority and with partners in order to form a systems perspective (and response).

Priorities

The Corporate Portfolio Holder informed Full Council of the programme's three priorities in September 2022 and Cabinet in November 2022. An update was provided at Cabinet Political Planning in early 2023. Further updates were provided at Portfolio Holder briefings throughout March and April 2023.

The programme is currently structured against the priorities as follows (workstreams are shown below each of the 3 priorities):

1. Emergency response – Our focus now for direct support for people already in crisis
 - a. Warm Spaces
 - b. Communications
 - c. Access to Support and West Yorkshire Mayor's Fund
 - d. Support for and from businesses
 - e. Housing services and support
2. Resilience – Our focus now to build places where people look after each other
 - a. Community Response
 - b. Community Power
3. Prevention – Acting now to address the medium- and long-term challenges and prevent future crisis
 - a. Economic Strategy and Long-term Recovery
 - b. Working, Volunteering, Participating and Aspiring
 - c. Lobbying (National and Regional)

Because people were already experiencing the cost of living pressures, it was important that our response provided immediate crisis support to our communities (Priority 1). Empowered, supportive local communities and the role of the local ward members is also crucial (Priority 2). In addition, we recognised that the crisis has exacerbated existing longer-term challenges that people and places are facing, requiring longer-term local initiatives (e.g., town centre developments and skills programmes) and UK government action such as changes in how local authorities are funded (Priority 3). It is important to note that the emphasis under Priority 3 is not about future or planned action, but action we are taking now to address long-term challenges.

Delivery and Governance

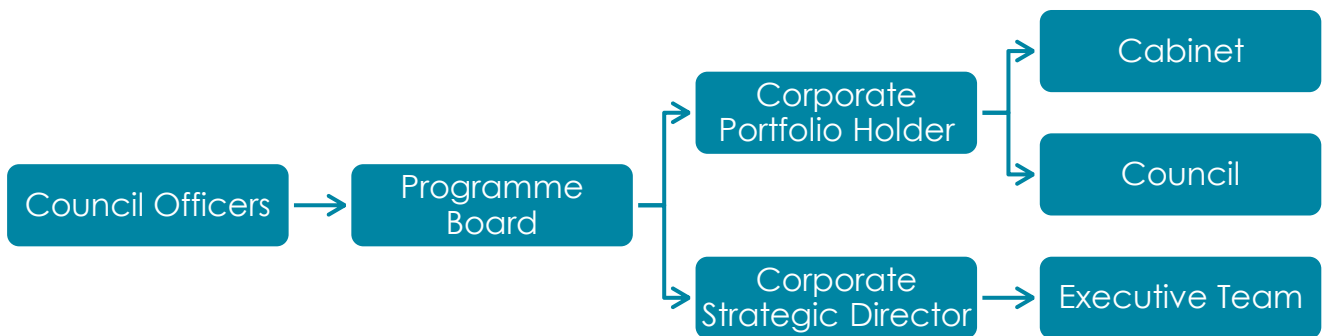
Since November 2022, delivery of the plan has been managed and supported through the Cost of Living Programme Board, which met fortnightly over winter 22/23 to consider winter pressures but now meets every four weeks. It brings together representatives from services across all directorates. Agreed actions and risks are noted and monitored.

Since May 2023, each board meeting has focused on specific 'deep dive' topics, allowing workstream leads to have more in depth discussions around topics relevant to the time of

year. Topics covered to date include, Warm Spaces - Lessons Learnt, the Director of Public Health Annual Report, CoL related Data and Insight, Cost of Living lobbying areas (for regional and national lobbying), and the council's welfare strategy.

These deep dive sessions have become especially useful, as throughout 2023 the context within which the council operates has changed in a number of ways. Restraints across budgets mean that there are additional pressures across the Local Authority as with our partners. This changing context requires us to think even more about how we can deliver the Programme as efficiently and effectively as possible, in line with our wider priorities. Despite these challenges, it is essential to continue to work to deliver outcomes within the budgets available – and with a focus on supporting residents who need it the most.

Updates from each board meeting are shared with the Corporate Portfolio Holder, the Service Director for Strategy & Innovation, and the Strategic Director for Corporate Strategy, Commissioning, and Public Health in line with the below reporting flow.



In addition to council services, ward councillors as local place leaders are fundamental to local delivery, coordination, and communication across all of the workstreams. Support for ward councillors and local places is discussed regularly at the board meetings, especially as part of discussions around Priority 2.

3. Implications for the Council

3.1 Working with People

Working with people is a thread which runs throughout this Cost-of-Living programme. We know that cost of living increases are impacting on residents across Kirklees, with a disproportionate impact on people who are already experiencing financial hardship or poverty. There are examples of where this is happening which are explored in this report. This includes The Bread and Butter Thing, the work of Welfare and Exchequer and local ward-based work.

3.2 Working with Partners

Working in partnership with colleagues from across the Kirklees system and within communities is a vital part of our response to the cost of living. Examples of this work include the Tackling Poverty Partnership and ward level partnership working.

3.3 Place Based Working

The Programme takes into consideration the differing needs of the diverse communities across Kirklees. We recognise that the needs of different communities vary greatly and have aimed to address the differences in people's situations through the establishment of our three priorities. The priorities are outlined in section 2.2. Priority 2 in particular focusses on working directly in and with communities, to build places where people look after each other.

We work closely with colleagues in Data and Insight to truly understand where we can make the most impact and aim always to achieve the best possible outcomes for the residents of Kirklees.

3.4 Climate Change and Air Quality

The programme seeks to contribute to the long term environmental sustainability of Kirklees through the development of inclusive, considered and productive local economies in all of our towns and villages. Information on the power of Social Value and our Economic Strategy is covered below in our case study entitled 'Building an Inclusive Economy in Kirklees' shown in Appendix 2.

3.5 Improving outcomes for children

Officers have a clear understanding of the need to ensure this work links to 'Best Start in Life and 'Aspire and Achieve'. We have children's colleagues represented on our programme board and recognise the impact that the rising cost of living is having on children and young people. This focus is threaded through all 3 of our Cost of Living priorities e.g the support provided to children who are eligible for free school meals.

3.6 Financial Implications for the people living or working in Kirklees

A key aim of the programme is to improve the financial and every day living situations of residents across the district, as well as the long term economic sustainability of Kirklees in general. Workstreams in Priority 1 focus on the immediate needs of residents and aim to provide access to support in ways that work for people truly living in crisis. A key example of this is the work being done by colleagues in Welfare and Exchequer who distribute funding through both the West Yorkshire Mayor's Fund and the Household Support Fund (provided by central government) (more detail on this can be found in Appendix 1).

Priority 3 addresses the longer term financial security of residents through workstreams focused on long-term economic recovery, employment, education and life skills and ensuring Kirklees is resilient enough to mitigate or even prevent future crises and challenges.

3.7 Other (eg Integrated Impact Assessment/Legal/Financial or Human Resources)

There is nothing additional to add to this report at this time.

The programme is providing strategic oversight to a broad range of work which contributes towards cost of living. Whilst individual pieces of work may require an IIA, it would not be suitable to complete an IIA for the programme itself.

4. Consultation

We have not consulted with members of the public in drafting this report, as it provides an update on progress to date and outlines the governance structure of the programme.

The report has received sign off from our Strategic Director, Rachel Spencer-Henshall and has also been reviewed by the workstream leads currently working on the Cost of living Programme, in order to ensure that the information we are presenting is current and accurate.

5. Engagement

This report is a strategic summary of the Cost of Living programme and appropriate engagement forms some elements of this work; for example, via ongoing work with Active Citizens and Democracy.

6. Next steps and timelines

Delivery of the cost of living programme will continue.

Any actions from this Scrutiny meeting will be noted and considered as part of the programme. To support this, officers recommend that Members consider the following questions:

- a) What comments do you have on the progress of the Cost of Living programme so far?
- b) Bearing in mind budget challenges, are there any Cost of Living areas which you feel need further development or where further connections can be made?
- c) Would you like more information on any of the programme areas?

7. Officer recommendations and reasons

The Cost of Living Programme team recommend that delivery of, and governance relating to the cost of living programme continues in its current format.

8. Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder recommends that Cabinet accepts / endorses the officer recommendation.

9. Contact officer

Report Sponsors:

Lucy Wearmouth – Head of Improving Population Health

Stephen Bonnell – Head of Policy, Partnerships and Corporate Planning

Contact Officer(s):

Lauren Kemp - Project Manager, Policy, Partnerships and Corporate Planning

10. Background Papers and History of Decisions

The Cost of Living Programme team have previously provided updates to the Corporate Strategy, Commissioning and Public Health, Senior Leadership Team. The team also provided updates on programme progress throughout early 2023 at Portfolio Holder Briefings.

11. Service Director responsible

Andy Simcox – Service Director Strategy and Innovation

Emily Parry Harries – Consultant in Public Health

Appendix 1

1. Key Achievements, Impacts and Challenges (2023)

Priority 1 – Emergency Response - Our focus now for direct support for people already in crisis

Key Achievements include but are not exclusive to:

- Set up of the Bread and Butter Thing hubs – 5 initially, with a further 5 approved at Cabinet and established throughout 2023. For further details of the impact of this please see Appendix 1
- Winter 2022 – ‘Warm Spaces’ were quickly rolled out across Kirklees. The focus of these was utilising spaces which were able to provide holistic support to residents, rather than creating additional spaces or demands on the system. All Kirklees libraries were ‘warm spaces’ and also acted as providers of ‘warm items’. Funding from WYCA was also allocated for the third sector to provide local support to cost of living (which included warm spaces). An evaluation has taken place of this intervention and main headlines are as follows:
 - 24 warm spaces were provided across Kirklees libraries;
 - 40 warm spaces were additionally mapped on the Warm Spaces website;
 - Increased reach, footfall and usage of venues and services;
 - Allowed for an expansion of services or wider scope for existing services;
 - Raised awareness of both the organisation and the wider cost-of-living situation (and its impact on the most vulnerable);
 - Links and connections with new people and communities;
 - Increased opportunities for engagement and co-production.
- £14.8 million worth of funding was managed as part of tranches 2, 3 and 4 of the Household Support Fund (provided by central government, distributed by Kirklees council). This entailed:
 - Issuing HSF to schools and colleges for vouchers to children entitled to means-tested Free School Meals.
 - Issuing funding to community groups via One Community and Third Sector Leaders, to allocate to local community groups
 - Establishing an application based model, so that any resident in Kirklees can apply for support (as long as they can demonstrate need).
 - Providing £1,058,381 of funding to foodbanks across the borough. This has been paid over the three HSF tranches from April 2022.
- £178,600 (Tranche 1 of 3) of the West Yorkshire Mayor’s, Emergency Cost of living fund was allocated out to One Community. Expecting Tranches 2 and 3 imminently, the entirety of this will be directed to One Community to allocate to Community Groups. Feedback from WYCA was that the Kirklees model was strong. Issuing this funding to One Community means that community groups can deliver the funding as per the needs of local residents.
- Successful delivery of the Council Tax Energy Rebate Scheme, which amounted to £25 million, distributed to households across the district.
- Cost of Living webpages were quickly established in order to point local residents in the direction of targeted support, with heavy traffic throughout the latter part of 2022. The council also offer a regular email bulletin with Cost of Living support updates: [Cost of living | Kirklees Council](#).

Examples of access to these pages from Sept 2022-Sept 2023 are:

- Landing page – 3,286 average views per month
- Finance and Debt Advice – 2,357 average view per month
- Cost of food support page – 1,138 average views per month
- Reducing Energy Bills – 869 average views per month

Additionally, **16** Kirklees Together articles have been tagged with 'Cost of Living'. These articles also appear in the weekly Kirklees Together bulletin issued to subscribers. The Cost of Living bulletin was introduced in June 2022. Subscriptions continue to grow each month and it has the highest engagement rate of bulletins issued by the council.

Challenges

- Complexity of cost of living challenges – multiple interconnected pressures (e.g. higher energy costs, high food prices, and low wage growth)
- Balance of 3 priorities – focus on the immediate crisis as well as long term growth;
- Resources and finance;
- Reach – it is important to note that 'standard' forms of communication via websites and social media do not reach every person or group e.g barriers in terms of digital exclusion. The programme recognises this challenge and has provided leaflets as well as a digital offer. Staff and ward members have reported that having a physical leaflet can be a useful tool in enabling conversations. Additional to this, officers have also worked closely with front line staff across the Kirklees system of local organisations (e.g. service providers) in order to communicate the cost of living support available in Kirklees.

Priority 2 – Resilience - Our focus now to build places where people look after each other

Key Achievements include but are not exclusive to:

- Drop in support sessions delivered across a number of Primary Care Networks to provide targeted support, advice and information, benefits and housing support.
- Libraries: During 2022-23, the total savings for Library customers through borrowing was £11,133,855 (inc. books - £9,064,955, e-books/e-audiobooks - £1,346,105, e-newspapers/e-magazines - £722,795).
- The Bread and Butter Thing is an example of work meeting Priority 1 and Priority 2 of the Cost of Living programme. As well as providing affordable and nutritious food the model builds community capacity, place-based working and is sustainable within communities.
- Ward-based budgets - During 2022-23, £113,350 was awarded by councillors in grants to support food initiatives, hardship funds, financial advice, warm spaces, holiday activities with hot meals, transport costs, baby equipment etc.
- Locally-based cost of living support collated on a place and/or ward basis and shared with councillors, colleagues and partners.
- Cost of living booklets distributed to all councillors and a drop-in arranged on 6 December to provide information and advice on support available from local welfare service, public health, Libraries, community plus and employment and skills service.
- Work with councillors and partners to co-ordinate and deliver cost of living workshops / events / roadshows in areas where Cllrs had requested them.
- The Council's third sector team provided funding advice to 111 groups and supported 78 funding bids, of which 50 were successful helping to secure £434,485 in grants.

Challenges

- Resources and finance.

- There are examples of the impact of persistent poverty in our communities. For more examples of this please see the [DPH Report: Poverty Matters](#) (which also includes recommendations at a local level)

Priority 3 – Prevention - Acting now to address the medium- and long-term challenges and prevent future crisis

Key Achievements include but are not exclusive to:

- Since being launched in January 2023 the Multiply programme has supported 400+ learners with numeracy and maths skills. Providers have also reported that courses focused on helping people with the CoL crisis have been popular. There has been high demand from the community, enabling us to support the development of long-term skills and overall employability of residents taking part.
- The Council has won the National Go Award for Social Value in Local Government, recognising the progress we are making in this area.
- The Council Plan adopted at Council 12/07/23 included cost of living as one of the four cross-council priorities. This is helping to advocate for cost of living activity at a time of competing pressures, and supporting wider communication.

Challenges

- Complexities of the development and implementation of interventions across a complex multi-faceted agenda.
- Short-term resource pressures
- Short-term funding (e.g. Household Support Fund) means the council can only commit to fixed-term contracts associated with this money, making it hard to retain staff leading to loss of skills, experience, knowledge, and networks, which is disrupting service delivery – requires lobbying and influencing for national policy change
- Competitive funding (e.g. UK Shared Prosperity Fund) requires significant investment of officer time that is not always proportionate to the value brought by the funds. In addition, anecdotally competition for national pots of funding is increasing as more local authorities and other organisations seek further resources –requires lobbying and influencing for national policy change
- Lack of clarity on future devolution deals for West Yorkshire
- Wage growth not keeping pace with inflation leading to more in work poverty.
- Signs of labour market challenges - increases in unemployment and reduction in vacancies.
- Complexity of cost of living challenges – multiple interconnected pressures lead to policy responses requiring trade-offs (e.g., Housing price controls ease CoL but will affect supply).

Appendix 2 – Case Studies

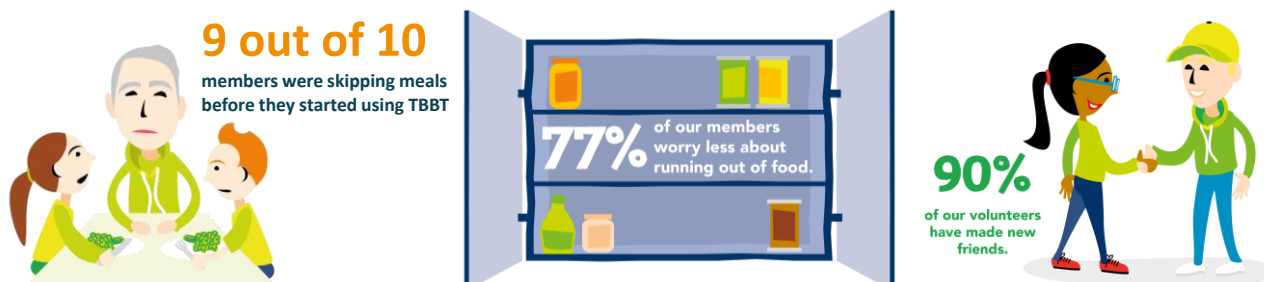
The Bread and Butter Thing – Success in Kirklees

What is Bread and Butter?

The Bread and Butter Thing (TBBT) is one of the UK's leading community food organisations and they have brought their innovative affordable food model to Kirklees. TBBT is a partnership between Kirklees Council, Third Sector Leaders, Cummins Turbo Technologies Ltd and local community organisations. The first Yorkshire hub was launched in Dewsbury in March 2022. As of Autumn 2023 there are 10 hubs across the district.

The hubs provide access nutritious to affordable food in the heart of communities and also enable communities to access to a range of wraparound services offering advice and support on finances, employment and health.

Members of TBBT can get shopping bags filled with a minimum of £35 worth of quality nutritious food for just £8.50. Each week members access three bags of produce including fresh fruit and veg, chilled goods, as well as cupboard staples such as pasta and cereal. TBBT works in partnership with supermarkets, factories and farms to redistribute surplus food. Reducing their waste helps to reduce their environmental effects whilst supporting local communities.



The impact

The establishment of the first 5 hubs created powerful partnerships across the private sector, voluntary organisations and the local authority. This led to **288,887** meals being provided and **121** tonnes of food being saved from landfill in the period March – December 2022 alone. This success led to the approval of 5 additional hubs at Cabinet. Furthermore, bags at Kirklees hubs are rated out of ten by community volunteers based on value for money and diversity - the average across all weeks is **8.81**.

The hub sites have typically extended beyond just food redistribution spaces. They became holistic hubs for support, health and wellbeing advice and signposting and partnerships with other local services. The hubs have been a huge success in Kirklees, with demand exceeding the number of families that can be supported each week. The scheme has received national media interest and resulted in an LGA case study on the work done in Kirklees, as well as nominations for LGC Awards in Public Health, Public/Private Partnership and Community Involvement.

The bread and butter thing.
Making life affordable.

The bread and butter thing.

A sustainable place-based response to affordable food access



What is it?

- ✓ Funded through Council and Cummins
- ✓ 10 hyper local affordable food hubs
- ✓ 3 bags of food for £8.50
- ✓ Hosted and run by community orgs
- ✓ Supported by Third Sector Leaders



Between March 2022 – October 2023...

- ✓ 5,316 residents shopped with Bread and Butter
- ✓ £466,250 worth of savings
- ✓ 577,000+ meals provided
- ✓ 9,000+ volunteer hours



Reaching people on the cusp of crisis...

53% of members have never used a food bank

BUT...

89% of people were skipping meals before TBBT

77% of members worry less about running out of food

Holistic...

- ✓ Bereavement quilt
- ✓ Smoking cessation
- ✓ Health checks
- ✓ Vaccinations

It's all about community...

- ✓ 73% of people feel less alone as a result of volunteering
- ✓ 97% feel that Bread and Butter is good for their community
- ✓ 67% say they are more involved in their community as a result of TBBT



Why it works...

- ✓ Power of Partnerships
- ✓ Hand up – not a handout
- ✓ Community led, place based
- ✓ Strengthens the food 'eco system'



Read the LGA report:



SCAN ME

Lucy Wearmouth, Head of Improving Population Health, Kirklees Council

Building an Inclusive Economy in Kirklees

The power of Social Value

Since 2018 Kirklees Council has been pursuing an inclusive economy, adopting elements of the community wealth building approach. A significant part of this has been developing our use of social value in procurement. Having tested new approaches, these were established through our Social Value Policy and Procurement Strategy both adopted by Cabinet in autumn 2022. While these have been used in a range of procurement exercises in different sectors, this has reached a new level in the recent Our Cultural Heart construction procurement. The Council is working with BAM, the successful bidder, to incorporate their social value commitments within a Social Value Strategy for the project against which the supplier will be contract managed. The Council has also been awarded the National GO Award for Social Value in Local Government recognising our ambitious work on this agenda.



Shaped by
people



Independent



Sustainable
economy



Well



Clean and
green

Our Economy Strategy

Our emerging Inclusive Economy Strategy builds on this, incorporating inclusion as a cross-cutting theme alongside environmental sustainability and productivity. We are continuing to support businesses to start up, grow and innovate; as well as continuing to support residents to develop their skills to access the best jobs they can. We're investing in our places so that Kirklees is a great place to live, work and invest. However, it's important that we do all of this in a way that transforms our economy into one which is more productive, is environmentally sustainable and where everyone benefits. By working with our partners to deliver social value, good employment, and cooperative and social enterprise support we're continuing to work towards building an inclusive economy in Kirklees.