

Item No. 8.	Classification: Open	Date: 18 October 2022	Meeting Name: Cabinet
Report title:		Southwark's response to the cost of living crisis	
Ward(s) or groups affected:		All wards	
Cabinet Member:		Councillor Stephanie Cryan, Communities, Equalities and Finance	

FOREWORD - COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR COMMUNITIES, EQUALITIES AND FINANCE

The definition of crisis is – a time of intense difficulty or danger, and this is exactly the situation in the UK with the cost of living crisis. Inflation is spiraling with the fastest rises seen in over 40 years, interest rates are set to increase even further, and with energy bills set to increase even further over the winter many of our residents will have to make a choice that no one should ever have to make, the choice of whether to eat or to heat their homes. In the 5th largest economy in the world this is incomprehensible and highlights the stark inequalities amongst the richest and the poorest in society.

As an administration, supporting our residents through the cost of living crisis is our top priority. The greatest impact falls on low income families, who spend more of their income on rising energy and food costs. We know that the most vulnerable will feel the impact most sharply but the crisis will effect most residents in some way.

This report sets out the work that has been and is currently being carried out across all council departments to help tackle the cost of living crisis. It also sets out our future commitments to our residents through four key strands:

Help Paying Bills.
Warmer, Greener Homes
Right to Food
More, better jobs.

Through these four strands we will work to ensure that real and tangible support for residents is available.

I want to thank all of the Voluntary and Community Sector organisations who are supporting their communities, whether through food banks and pantries, advice services or offering a warm space and a hot meal. It is vital that our work through the Community Support Alliance focuses on the support that can be provided to those most impacted by the cost of living crisis. We will be holding a cost of living Summit in the autumn to further strengthen our partnerships with the VCS and

our Anchor Institutions, working together to tackle the crisis.

We will use every power we have to support households across Southwark as we face this incredibly difficult time. We will do this through our Council Delivery Plan building a fairer, greener, safer borough. Tackling the cost of living crisis and the growing inequalities in our communities.

RECOMMENDATIONS

1. That the impact of the cost of living crisis, what it means for residents of Southwark and the council's ongoing approach to support residents be noted.
2. To note the council's £2.73m Household Support Fund allocation for the period 1 October 2022 – 31 March 2023.
3. To approve the Southwark Council Cost of Living Fund funded by the Household Support Fund for the period October 2022 – March 2023.

BACKGROUND INFORMATION

4. This report provides an update to cabinet on the council's plan to tackle the cost of living crisis. The approach consists of four strands:
 - **Help paying bills** - Extension of the Southwark Council cost of Living fund to provide £2.7m of support;
 - **Warmer, greener homes** – 1,000 new homes by 2026 supplied by green energy systems reducing energy costs;
 - **Right to food** - Free school meal programme to provide school holiday food and development of a Right to Food action plan to improve access to healthy, affordable food; and
 - **More better jobs** – 2,000 apprenticeships and 3,000 training opportunities and London's first 'Living Wage Borough'.
5. Starting last year, we have seen soaring energy prices drive historically high levels of inflation, already reaching double digits and expected to increase further this winter.
6. Those rising prices have far outstripped household incomes, whether made up of earnings, pensions or benefits. All Southwark households are affected by rising energy prices and higher inflation but some households are affected more than others.
7. The greatest impacts fall on those on lowest incomes who spend far more of their income on energy, food and other essentials than higher income groups. Those on low incomes already spend more than twice as much of their income on essentials than higher income households.

8. Additionally, it is the prices of the things on which lower incomes already spend more that are rising fastest – not just energy, but basic foodstuffs and other essentials. Higher income households can reorganise their budgets to meet the increased cost of living and reduce discretionary spending. Lower income households who are already “just about managing” and sometimes at the edge of destitution will find it much more difficult to do so. Without extra support these households are much more likely to be forced to reduce their consumption of essentials, putting their health and well-being at greater risk.
9. At least one in five households in some Southwark wards are in the bottom income deciles for Great Britain, for example, Old Kent Road and Camberwell Green. Those wards also include the biggest proportions of residents claiming working age benefits (Universal Credit). However, it should also be noted that almost half of those claiming Universal Credit in those wards are in work and that many of those at greater risk of energy insecurity this winter are in work, on low earnings, and not claiming or eligible for benefits.
10. It is rising energy prices that cause greatest concern as we enter the autumn and winter period. That is when households use most energy, almost twice as much as during the spring and summer. As energy costs rise even higher from October 2022 lower income households will be at greatest risk, especially those who will get less government support.
11. Many households were already living in fuel poverty even before the current crisis. According to the latest government statistics, more than one in ten of all Southwark households experience energy insecurity, rising to more than 15% in some parts of the borough, including Camberwell Green (15.4%) and Nunhead & Queen's Road (15.2%) the wards with the highest number of households experiencing energy insecurity or fuel poverty.
12. The council is mindful of what fuel poverty means and we think especially of those who use prepayment meters to pay for energy, pay more for their energy as a result and cannot spread their energy costs over the whole year. Based on government statistics and recent survey results, we estimate that more than one in five of all LBS households, rising to almost half of lowest income households, pay for some or all of their home energy using a prepayment meter.
13. Sadly, cutting back on heating has been a common response to rising energy bills. Cold homes can exacerbate a range of health problems including respiratory and circulatory conditions and increase the risk of poor mental health. Estimates suggest that some 10% of excess winter deaths are directly attributable to fuel poverty.

KEY ISSUES FOR CONSIDERATION

The council's early response (October 2021 – March 2022)

14. Inflation has been increasing since the middle of last year but 1 October 2021 may be regarded as a symbolic start date for the cost of living crisis.
15. From the end of September 2021 the government had closed the furlough scheme and ended other measures introduced to support the incomes of low income households during the pandemic, most notably the £20 a week Universal Credit uplift. The withdrawal of the uplift reduced the incomes of tens of thousands of the lowest income Southwark households at a stroke, this disproportionately affected single persons, working age households who saw their incomes after housing costs fall by more than 10%.
16. The withdrawal of the UC uplift was widely opposed by charities, think tanks, and local authorities, including the council. The effect of the withdrawal was to reduce the real incomes of those reliant on working-age benefits to the level of the late 1970s.
17. From the 1 October 2021 the statutory energy price cap rose by 12%. This was due to rising global energy prices. Households using prepayment meters to pay for energy, which are usually lower income households, faced an even bigger increase.
18. The government created a £421m Household Support Fund for councils in England to provide support for vulnerable households during the autumn and winter of 2021/22. The council's allocation was £2.74m and that funding had to be used between October 2021 and the end of March 2022.
19. The council decided that its top priority would be to provide direct support with energy bills to vulnerable low income households during the winter.
20. A new Southwark Energy Support Fund was created in the autumn of 2021 that would eventually provide support worth more than £1.2m to 20,000 low income households who paid for energy for their home. The effect of the support was to compensate low income households for most of the increase in energy costs they would face in the winter. Most support went to households affected by the withdrawal of the £20 a week uplift and those living in energy inefficient homes. Lowest income pension age households also received support. Most households receiving support through the Southwark Energy Support Fund were identified from locally administered benefit or local welfare data and support was provided to household automatically with no requirement to apply.
21. Aware that some vulnerable households were outside the benefit system and not known to the council, another route to support from the energy support fund was created. Community partners, including churches, foodbanks, tenant and resident associations and advice providers, could identify vulnerable households in need and refer them to the council quickly

and easily without a formal means-test. Sixteen community partners took part, making almost one thousand referrals by the time the fund closed at the end of March 2022. Almost 700 of the households referred received support. Referrals were refused only where the household referred did not live in Southwark or had already received a payment through the fund.

22. The council used the remainder of the fund to continue to provide holiday Free School Meals for eligible children attending Southwark schools at the autumn half-term, Christmas holiday, February half-term and Easter holidays. Fourteen thousand children benefited each receiving support worth more than £100.
23. Additionally, the council promoted take up of the Warm Home Discount scheme among eligible low income households of working age. The scheme is mandated by the government and delivered by all energy suppliers. Each energy supplier sets its own criteria for access to a £140 discount for low income, working age bill payers. Low income pension-age households receive a discount to their winter energy bills automatically. Data for the scheme in previous years showed that low income working age households in London were less likely to get support than low income households in other parts of Great Britain.
24. The council wrote to more than 20,000 low income working age households in autumn 2021 urging them to apply for a Warm Home Discount. The letter explained why they could be eligible for a discount and set out contact information for all the major energy suppliers' schemes.
25. Another way for households to reduce their energy bills is to reduce consumption of energy safely by taking steps to improve the energy efficiency of their home. Many homes in Southwark have a low energy efficiency rating. Poor insulation and energy inefficiency are most common in housing built in the early part of the twentieth century or earlier. Mainly for this reason, privately owned, or rented homes are more likely to be energy inefficient than council or other social housing. Living in an energy inefficient home is a significant contributing factor to fuel poverty when combined with low income.
26. In the last ten years government funding to improve the energy efficiency of the country's housing stock has been cut even though the UK has some of the oldest and least energy efficient housing in Europe. Limited funding is available and in London is distributed through the Greater London Authority and Mayor of London. Funding and other support with home energy efficiency improvements is usually limited to those on low incomes.
27. Earlier this year, the council used data to identify more than 500 low income households living in energy inefficient homes and eligible for support from the Warm Homes Advisory Service and or GLA Warmer Homes. Households were contacted by direct mail and urged to take advantage of the help available, ranging from simple energy advice to grants worth up to £25,000. Early feedback from the GLA is that take up of its offer in

Southwark has been among the highest in London.

April 2022 – September 2022

28. From April 2022, the statutory energy price cap rose again by more than 50% driving up household energy bills to historically unprecedented levels, almost £2,000 per year for an average household.
29. More than 40,000 households in Southwark reliant on the state pension or other benefits for all or part of their income received an increase of just 3.1% from April. By the summer annual inflation (CPI) had reached 10% and prices were rising more than twice as fast as earnings. Food prices were rising faster than overall inflation reaching an annualised rate of more than 12% by September, with the cost of basic foodstuffs such as milk, eggs, and cooking oil rising even faster.
30. Households urgently needed support and the council responded to that demand in two ways during spring and summer this year:

Energy Rebates (or Council Tax Rebates)

31. The council would disburse support through the government Energy Rebate scheme (sometimes called Council Tax Rebates) to more than 100,000 eligible households as quickly as possible. We would also do everything we could to ensure that the extra money went into the pockets of households to help them pay higher bills.
32. Under the rules set by Government, payments could not be made until after the first week of April. The council made first payments before Easter with rebates reaching the bank accounts of 40,000 households on the 8 or 9 April 2022. Thousands more had received rebates by the end of the month.
33. According to official government statistics, more eligible residents in Southwark had received a payment by the end of April than in any other inner London borough. This was despite the fact that a relatively small number of eligible Southwark council tax payers pay their council tax by Direct Debit and where the council has bank account details that enable a payment to be made by automatic bank transfer.
34. By the end of June 2022 more than 80% of eligible households had received a payment, more than in any other inner London borough. By the end of September 2022 over 103,000 rebates had been awarded to 100% of eligible households.

Southwark Council Cost of Living Fund (part 1)

35. As approved by Cabinet on the 15 June 2022, the council created a Southwark Council Cost of Living Fund (SCCOLF) worth £5m to provide vulnerable households with extra income support to help them pay for higher energy and food bills during the spring and summer.

36. The fund was formed mostly of government grants but also included a contribution from the council of about £500,000.
37. Support through the new fund would be targeted at the lowest income households reliant on state pensions and benefits for income, with extra support for low income families with children. Eligible households would be identified from council data and would receive support automatically without a requirement to apply. Support would be paid to the recipient's bank account wherever possible but most would receive support in the form of a Post Office Payout voucher redeemable for cash at any Post Office.
38. More than 30,000 low income households received a one off payment of £120 in July or August 2022. Households who had missed out on an Energy Rebate or Council Tax Rebate because they were not eligible under the rules of the Government scheme received an extra £150 bringing the value of their one off payment to £270.
39. More than 14,000 children eligible for Free School Meals and attending Southwark schools received holiday Free School Meals during the summer half-term and main summer holidays. That support was worth more than £100 per child and delivered by schools.
40. Additionally, children transferring to a Southwark secondary school this September and eligible for a School Uniform Grant of £45 have received a top-up to that grant from the cost of living fund worth £55. This increases the total value of the grant to £100 for more than 1,000 children and provided direct support totalling £60,000.
41. Finally, households facing an emergency and unable to meet the cost of fuel energy or other essentials could apply to the council's local welfare assistance scheme Southwark Emergency Support Scheme.

Policy framework implications

42. By summer 2022, it was clear that the cost of living crisis would not be short lived and that the autumn and winter of 2022/23 would be particularly difficult months for many Southwark households and not just those on the lowest income and reliant on benefits.
43. In August 2022, the independent energy regulator Ofgem announced that the statutory energy price cap would increase to more than £3,500 per year for a household with average energy consumption. Ofgem also announced that the cap would have to be reviewed again three months later due to extreme volatility in global energy markets. Independent analysts forecast that the energy price cap could rise to £4,000 - £5,000 per year in January 2023. The government has since announced a price cap of £2,500 for 2 years, although this is still an increase on the previous £1,971.

44. As was the case in April 2022, it is likely next year that those on the lowest incomes that rely on welfare benefits will not see an uplift in line with increasing inflation, increasing the potential impacts of the cost of living growing at a faster rate than incomes. The council has concluded that the risks to residents were so grave that a more comprehensive and longer term response to the crisis would be required.
45. The approach comprises four strands:
- Help paying bills
 - Warmer, greener homes
 - Right to food and
 - More better jobs.

1) Help Paying Bills:

Extension of the Southwark Cost of Living Fund to deliver £2.7m of support to low income households and creation of a new Southwark Energy Advice Service

46. Between May and September 2022 the government announced a series of packages of support for households subsidising energy bills for all households that pay for energy and providing targeted income support for low income, disabled, and pension age households.
47. Full details of the extra government support that will benefit all Southwark households who pay for energy this autumn and winter are set out in appendix A.
48. The additional support from government will provide most protection for some groups this winter, especially middle to higher income households and low income pension age households receiving means tested benefits.
49. The additional government support will provide some protection for pension age households not claiming means tested benefits and low income working age households receiving means tested benefits. In some cases that support will not be enough to ensure that households will be able to sustain consumption of energy and other essentials at the same level as last winter, or to prevent more households from falling into fuel poverty.
50. The additional government support will provide least protection for low income working age households where someone is in work but do not receive means tested benefits; and low income households that include a person with a disability and who do not receive means tested benefits. We think the risks are heightened for single person households who live alone

and pay for energy bills for their home and for those who live in energy inefficient homes.

51. In addition to direct support to households on the 22 September 2022 the Department for Work and Pensions confirmed allocations for English local authorities for a third round of the Household Support Fund for the period 1 October 2022 – 31 March 2023.
52. Southwark Council's funding allocation is £2.73m. Full guidance is yet to be published but Household Support Fund schemes are for local authorities to design at their discretion within government guidelines.
53. The objective of the Household Support Fund is to provide support to vulnerable households in most need of support this autumn and winter.
54. The council will concentrate its efforts to help with bills this winter on those households who are less well protected by Government support, especially the most vulnerable.
55. Help with bills will take two main forms:
 - (1) Direct income support to households identified as being in greatest need.

The council will create a new Southwark Council Cost of Living Fund (part 2) October 2022 – March 2023 funded by the latest Household Support Fund grant payment. We will create a community referral pathway to the Cost of Living Fund so that VCS and other partners may refer vulnerable households in need quickly and easily.

- (2) Encouraging households to claim means-tested benefits that will not only increase their income but guarantee access to additional government support this winter.

The council launched a campaign to encourage and where necessary support low income pension-age households to claim Pension Credit in the summer. The campaign will continue throughout this winter helping more households gain access to extra government support.

From this autumn, the council will adopt a new Low Income Families Tracker (LIFT) using existing data to identify working age households who may be entitled to benefits or other forms of financial support. LIFT will also use existing data to identify households who are most affected by government welfare reforms such as the benefit cap or two child limit, those at greatest risk of falling into crisis, and those who would be better off if they switched to other benefits.

All take up and income maximisation efforts will be supported by newly available DWP data. The council has lobbied government for more access to DWP for several years. More data is being provided by government but we still need more data to help us target local support most effectively. The council will continue to lobby for increased access to national social security data for Southwark residents.

56. The council is carrying out a comprehensive review of its local welfare assistance scheme, the Southwark Energy Support Scheme (SESS), including renaming the service to the Southwark Council Cost of Living Fund (SCCOLF).
57. Matters being considered as part of that review include potential temporary policy changes to help more households avoid fuel or food poverty this winter.
58. Last year SESS provided the following support for low income households reliant on welfare benefits:

	Eligibility	Support provided	Level of support
Emergency Support	Facing a crisis, emergency or disaster and in receipt of welfare benefits	White goods, furniture, bedding, kitchen equipment, food and fuel support	£464k support provided
Hardship Fund	Household debt and in receipt of certain welfare benefits	Cash payment	£27,000 cash support
Income maximisation	Low income households	Assessment of household finances, Welfare Benefit advice, support with claim application. Either by home visit, in-office appointment or over the phone.	£1.9m of income generation

59. Part of the council's ten point plan to tackle the cost of living crisis is its commitment to the fairer future promise to "keep council tax low". The authority has been able to maintain the ninth lowest level of council tax in London and it remains below the charge it would have been if CPI had been applied each year since 2010/11.

60. The Council Tax Reduction Scheme continues to provide support for the lowest income families. Despite fiscal challenges the council continues to maintain the same level of support since the localised schemes replaced council tax benefit in 2013 making it one of the most generous scheme in London. Last year £23m of council tax support was provided to those on low incomes, on average £1,300 of bill support is provided for a band D property under the scheme.
61. Service charge and major works bills can be a significant financial pressure for homeowners, particularly those that are on low or fixed incomes.
62. To support homeowners the council offers payment options outside of lease terms as standard. Leaseholders are able to pay their service charges via monthly instalments interest free and any debt on costs incurred can be paid back over the remainder of the financial year rather as a lump sum.
63. To help homeowners with major works bills the council offers interest free instalments for up to 3 years for resident leaseholders, extended to 4 year for larger bills over £7,200, and service charge loans at low interest rates for longer term payment plans.
64. Further homeowner support and signposting to support services is included with every annual bill. This includes council funded leaseholder advice provided by Citizen Advice Southwark, the council's Local Support team and MySouthwark Homeowners service.
65. Demand for advice services remains high, increased with the impact of the COVID-19 pandemic, and is anticipated to increase further as the cost of living crisis continues, particularly with the rising cost of energy.
66. To meet the expected demand the council will be supporting the creation of a Southwark Energy Advice Service, and is a commitment in the draft Council Delivery Plan – autumn 2022.
67. Approval for the creation of the new service is currently being sought.
68. The service will include:
 - Face to face advice plus a dedicated telephone line
 - Referring eligible clients to sources of support such as energy suppliers' hardship funds and the GLA's Warmer Home Scheme and
 - Signposting clients to sources of online information such as the Energy Saving Trust and national Citizens Advice.
69. This service will target in particular people who struggle to access energy advice, those experiencing issues with energy suppliers, private rented sector tenants and private landlords to improve energy efficiency of

homes.

70. It is anticipated that the service will launch from the 1 December 2022.
71. Strengthening Southwark's network of community-led hubs, including continuing to invest in the local voluntary sector is key in providing cost of living support to residents wherever they live in the borough.
72. The current main council advice contracts are being extended. Citizen Advice Southwark provide advice on welfare benefits, debt, housing, employment, immigration and consumer matters including energy advice. Southwark Law Centre provides specialist legal advice and casework for those unable to afford a lawyer, in the areas of welfare benefits, housing, employment and immigration.
73. These are free services that are available to all who live or work in the borough.

2) Warmer Greener Homes:

1,000 new homes by 2026 supplied by green energy systems reducing energy costs and fuel poverty

74. The council is building new warmer, greener homes and improving the energy efficiency of its existing homes.
75. Our new build programme is continuing to deliver the truly affordable housing which our residents desperately need. Having successfully met our target of starting or delivering 2,500 new council homes by May 2022, we are now focusing on starting 1,000 more by 2026. Any new development we build is made up of at least 35% truly affordable homes, with at least 25% being new council homes. We are working on a range of developments across the borough that will provide the variety of homes that we need, including family-sized homes, homes which are suitable for our elderly residents, and accommodation for our key workers that will meet the demand in certain areas.
76. 42% of our new homes that are currently under construction will be supplied by 100% green energy systems, and will not rely on fossil fuel energy. Going forwards, these figures will improve even further as we phase out new homes reliant on fossil fuels, meaning all new homes will use alternative energy sources such as ground or air source heat pumps.
77. 96% of council schemes with planning consents and 97% of schemes in pre-planning have been designed with low energy provision and maximising thermal efficiency. These environmentally sustainable methods are less costly to operate, so will bring financial benefits for our residents. These green energy systems, used in conjunction with the highly insulated, thermally efficient buildings that are part of our design standards, will create a significant reduction in day-to-day living costs for

our residents. Fuel poverty will be significantly lessened if not eradicated by these measures, and this will only continue to improve as our design standards and build quality progress.

78. To improve the energy efficiency of our existing stock, we are currently developing our bid for the Social Housing Decarbonisation Fund, focusing on 500 street properties in the Nunhead and Peckham areas. These are among the Southwark neighbourhoods where issues of fuel poverty are known to be greatest though generally low levels of energy efficiency are a greater issue in older private sector housing than in Council or other social housing.
79. We will know the outcome of the bid by January 2023. If the bid is successful, the energy efficiency of all 500 properties will increase to at least C on completion of the work, meeting national energy efficiency standards. We will pay particularly close attention to low income households though, for this bid, household income does not form part of the formal criteria.
80. We have also partnered with the energy company Warmfront to access ECO3 funding, installing new insulation in 200 properties across the borough in recent months. The Council will pursue options to access further similar funding.
81. On Heat Networks, we have a major strategy in place to invest and improve our district heating systems which, over time, should increase their energy efficiency. However, mindful of the potential impacts of consumption based charging for lower income households, we are seeking views from all residents on the draft policy. We have already shaped the policy to minimise as far as possible fuel poverty impacts - for example, ruling out pre-payment options and looking to spread charges over the whole year to smooth summer/winter fluctuations in consumption.
82. All new major works incorporate energy efficiency measures at the design stage. Two damp and mould pilots are running at the Kingswood Estate in the south and at the Aylton Estate in the north. The pilot on Kingswood Estate used the Switchee system with 14 devices installed across 12 selected blocks which were identified as part of the damp investigations and feasibility studies carried out. The monitoring is now complete and full specifications of work have been drafted for external wall insulation and ventilation upgrades. These works will improve the energy efficiency of the properties and the improved ventilation will reduce the risk of condensation and mould. The Specialist Services Team within the Repairs Services is using the learning and information from these pilots to develop a comprehensive damp and mould strategy which will feed into ongoing work around energy efficiency and improving health outcomes for our residents.
83. A significant proportion of Southwark's residents live in the private rented sector. We will continue to take targeted appropriate enforcement action

against poor performing landlords to ensure repairs are undertaken to help tenants keep warm and that properties meet the minimum energy efficient standards.

84. We are also working towards the Council Delivery Plan commitment to introduce licensing of private rented properties specifically to address fuel poor poverty in this sector.
85. We recognise the challenges most social landlords are facing in dealing with fuel poor households and energy inefficient housing stock. Through the council's Fuel Poverty Partnership group one of our aims to work with this sector through positive engagement.

3) A right to food:

Extension of free school meal programme to provide school holiday food support and development of a Right to Food action plan to improve access to healthy, affordable food.

Free Healthy School Meals

86. Universal primary school lunch in Southwark contributes significantly to family food security. The council's Free Healthy School Meals (FHSM) grant has been a universal offer and council commitment since September 2013 for all primary school students in Key Stage 2, supplementing the central government-funded Universal Infant Free School Meals (UIFSM) and the statutory Government funded means-tested Free School Meals (FSM) programme.
87. In June, we increased the price paid to primary schools per FHSM to £2.41 from £1.90, from September 2022 to bring parity with UIFSM funding. The increase will also enable schools to pay catering staff the London Living Wage and support schools and caterers with rising costs protecting the FHSM offer.
88. Alongside the FHSM grant, the School Meals Transformation Programme is strengthening Southwark's school food system and oversight, ensuring FHSM continue to offer high quality and value for money. The programme is an incremental £1.2m joint investment between Southwark Council and the public health charity, Impact on Urban Health.
89. Since autumn 2021, Southwark Council has set aside a portion of the central government Household Support Fund (HSF) for all primary and secondary pupils who are entitled to FSM. During the school holidays each pupil received £3.00 per weekday to spend on a healthy lunch, administered through schools.

Food and Fun holiday programme

90. An extensive and well-received Holiday Activities and Food (HAF)

programme has been developed in Southwark. The Food and Fun programme, funded by the Department for Education, provides healthy food and activities for school aged children and families experiencing hardship including those who are entitled to benefits-related free school meals and those with no recourse to public funds.

91. The programme aims are to support children and families:
- To eat more healthily and for children to be more active during the school holidays and
 - To participate in enriching activities which support the development of personal skills such as resilience, character building and wellbeing.
92. Activities ran during the Easter, summer and winter school holidays and will continue. All children attending received a healthy meal and snack each day and a recipe-kit box over the holiday period so they can cook nutritious meals at home.

Right to Food Borough

93. Work is taking place to make Southwark a right to food borough. A Right to Food action plan is being developed to ensure that council policies bring residents closer to benefitting from the Right to Food. The Public Health team have provided funding to Southwark Food Action Alliance to develop a strong food partnership in the borough, linking community groups with statutory partners and businesses, with the aim of improving access to healthy, affordable food. Coordination in Walworth and on the Kingswood Estate has also been commissioned to strengthen ties between food organisations at the local level, with plans to develop a similar model in SE16.
94. The council will be sending a letter to the national government lobbying for the Right to Food to be enshrined in law.

Finding support

95. A “Worrying About Money” leaflet and app has been produced in partnership with Citizens Advice, the Independent Food Aid Network and the Southwark Food Action Alliance. This is an easy-to-use guide that helps residents find the right advice and support in Southwark, including support to maximise their income and access debt advice.
96. A cross-council team including officers from Children’s & Adults, Exchequer Services and Public Health have designed a guide and information webinar on sources of support in Southwark. This summarises many of the schemes and support available to residents of the borough including financial support from the government and council, advice services (including income maximisation), food and fuel initiatives and charitable grants.

97. To date the information webinar has been delivered to over 300 partners and colleagues from across the council, local NHS, VCS, faith organisations, TRAs and schools. Two further sessions are scheduled for October 2022. The accompanying guide has been distributed to over 500 internal and external staff and volunteers. Feedback has been received from over 50 recipients, with average ratings of 4.6 out of 5 for usability, relevance and delivery of the guide and information webinar:

“The session was very informative and provided with masses of organisations / options to support local residents - thanks for collating all this info in a very helpful guide” Senior Social Worker, A&E Kings College Hospital

“Excellent session, please do more and we will use the guide with users and part of our duty systems” Head of Service, Southwark Council

“Extremely helpful session. Southwark is coming together to again to tackle the latest crisis” Time Broker, VCS partner organization

98. A copy of the guide is included at Appendix B.

4) More better jobs:

2,000 new apprenticeships and 3,000 new training opportunities, creation of Southwark Works hub and London’s first ‘Living Wage Borough’.

99. Supporting residents into jobs and apprenticeships, and equipping them with the skills they need to access better career opportunities, is a crucial part of the council’s approach to tackling poverty and addressing the cost of living crisis. As part of the new Council Delivery Plan, the council has committed to delivering 2,000 new apprenticeships and 3,000 new training opportunities and provide free support to get a job for people who face the most barriers. We have also committed to create 250 paid internships for young people from the most disadvantaged backgrounds.
100. Any Southwark resident seeking work, or who is already in work but is seeking better paid and more secure work, can access the support they need through Southwark Works. Based in the Southwark Works hub office on the Walworth Road, the service comprises a range of specialist provision with a particular focus on supporting those with the most complex barriers to employment, including people with physical and mental health conditions, disabilities, vulnerable young people including care leavers, and people at risk of homelessness.
101. The council also works closely with employers to improve pay and working conditions and actively champions good work and payment of the London Living Wage. Southwark was London’s first ‘Living Wage Borough’ and works closely with employers and the voluntary sector to

increase the number of employers who pay the LLW through the implementation of a borough-wide Living Wage Action Plan. To further build on this work, the new Council Delivery Plan includes a commitment to creating a new Southwark Living Wage Unit and double the number of London Living Wage employers in our borough.

102. The council also provides advice and guidance to business on the impact of the cost of living crisis and inflationary pressures which are of real concern to employers across the borough. Advice and guidance for business is available on the council website and the council works closely with the GLA to provide support for businesses impacted by the cost of living crisis. The imminent launch of the Southwark Pioneers Fund will provide financial assistance for businesses looking to establish or grow during this challenging period, and the new Thriving High Streets Fund will also have a specific focus on the impact of the cost of living crisis on our town centres. As more detail on government support is made available, details will be communicated directly to our business community through our regular business e-newsletter which goes out to over 11,000 subscribers.

Community, equalities (including socio-economic) and health impacts

103. This report sets out the council's response to the cost of living crisis and the various approaches adopted. Community, equalities and health impacts of those individual approaches will be provided in separate decision making reports where necessary.
104. This report notes the additional Household Support Fund allocation for this to be used to extend the Southwark Council Cost of Living Fund (SCCOLF) to March 2023.
105. There will be a positive impact on the most vulnerable groups in the community by extending SCCOLF.
106. Higher costs of living have a disproportionate impact on lowest income and vulnerable households. With the change in the energy price cap those with the lowest income are on the least competitive tariffs. By providing grants and putting money into the pockets of residents this enables those households to prioritise the most urgent bills.
107. Extensive modelling was carried out during the first phase of SCCOLF using the Housing Benefit and Council Tax Reduction databases, including DWP data via the Universal Credit data share. Further modelling by utilising the Low Income Family Tracker database will allow us to better understand the make-up of low income households in the borough taking due regard to the public sector equality duty by understanding how those with protected characteristics are impacted.
108. Research has shown that the financial impact of the COVID-19 pandemic was disproportionality felt by Black, Asian and minority ethnic residents,

older people and those with disabilities. SCCOLF by supporting those on the lowest incomes, as well as those not in receipt of welfare benefits but 'just about managing' is designed to target those that have felt the biggest impact of COVID-19 on household incomes.

109. The impact of COVID-19 has had a disproportionate impact on low income households and especially on vulnerable groups, widening health inequalities.
110. Any proposed new service delivery will be considered with due regard to the public sector duty as set out in the Equality Act 2010 to ensure there is no disproportionate impact on groups or communities defined by the protected characteristics within that act.

Climate change implications

111. Climate change implications on individual approaches to the cost of living crisis set out in this report will be considered in their appropriate decision making reports.
112. As set out in council's Climate Change Strategy, climate change and inequalities are linked. The climate emergency is a social justice issue and the council's climate change policy aims to reduce inequality. The use of the HSF to extend SCCOLF does this by providing support to those that can least afford the increase in utility bills and the impact of the changing climate.
113. The fund supports the wider aims of the council in respect of food security and fuel poverty. The decision to use SCCOLF to support low- income and vulnerable households in fuel poverty or at greater risk of fuel poverty this winter is consistent with the council's Economic Renewal Plan and Climate Change Strategy. It is currently estimated that about one in five of the households eligible for support occupy energy inefficient homes (EPC rating of D or lower).

Resource implications

114. The administration of the extended SCCOLF will be absorbed within the existing Exchequer Services provision. The situation will be closely monitored and regularly reviewed to allow resource to be flexible and adaptable to changes in demand.

Legal implications

115. The Household Support Fund (HSF) grant that supports SCCOLF will be provided as a section 31 grant under the Local Government Act 2003.
116. In line with previous rounds of funding it is expected that local authorities will be required to prepare a Statement of Grant Usage to be submitted to

the DWP, providing details of eligible expenditure and certified by the authority's Section 151 officer.

117. Previous HSF allocations have required the council to provide a Progress Report and Management Information Return with the Statement of Grant Usage.
118. The HSF scheme and funding is classed as a local welfare provision and as a result under the memorandum of understanding with the DWP allows the use of social security data to identify eligible households as per the scheme's criteria.

Financial implications

119. The cost of the HSF is met by Government, paid via a section 31 grant under the Local Government Act 2003 and is payable for the costs incurred for the period 1 October 2022 – 31 March 2023.
120. The Government has provided a draft allocation to the council of £2,734,366. Final guidance is still not available but it is expected in line with previous rounds of funding that it will be payable in arrears based on a Statement of Grant Usage and a monitoring return in January 2023 and April 2023.
121. It is anticipated funding must be spent or committed before the 31 March 2023 and cannot be carried forward for future use.
122. The draft grant allocation includes reasonable administration costs and no separate new burdens funding is being provided to cover costs incurred administering the fund.
123. There will be weekly reviews of redemption levels and referrals as part of the Community Referral Pathway over the course of the scheme period to ensure no budget overspend, or in a case of a surplus to consider additional support mechanisms.

Consultation

124. There is no legal requirement for public consultation for intended use of the HSF. Final guidance has not been published at the time of this report's submission.
125. The council continues to consult with other local authorities through multiple channels including forums arranged by London Councils. Authorities exchange views on policy direction and potential scheme options, sharing both knowledge and best practice.
126. Consultation with support organisations has been ongoing, and will continue as the energy support grants are distributed through the Community Referral Pathway.

127. Proposals for the referral pathway have been presented to the community organisations that were recruited as part of the Southwark Energy Support Scheme that ran from January 2022 – March 2022. Community Southwark has also supported the council by inviting its members to provide expression of interest in the widening and further development of the scheme. Feedback and ongoing discussions with community support agencies will further contribute toward overall scheme design and delivery.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

128. This report sets out a range of measures that the council has adopted and intends to bring forward in order to tackle the cost of living crisis. These measures include the use of the Government's Housing Support Fund grant of £2.73m for October 2022- March 2023 for inclusion in the Southwark Council Cost of Living Fund. This is being provided in accordance with section 31 Local Government Act 2003, on the basis that the council has discretion on how to spend it in accordance with certain parameters. Final guidance on the current grant round is awaited but previous guidance issued in relation to the grant has made it clear that the expectation is that it should primarily be used to support households in the most need, particularly those including children and pensioners, who would otherwise struggle with energy bills, food and water bills. The report sets out how the funds are being distributed to support such vulnerable households in the Borough.
129. The establishment of this fund is an executive function of the Council which can be considered by the cabinet in accordance with the Local Government Act 2000 and Part 3B of the council's Constitution.
130. Other measures referred to in the report have either already been agreed and are in place or are in the process of being worked up and will be confirmed in due course.
45. The cabinet will need to ensure that the public sector equality duty in section 149 Equality Act 2010 is considered i.e. to have due regard to the need to eliminate discrimination, advance equality of opportunity, and to foster good relations between people with protected characteristics and others. Reference is made to the impact of the cost of living crisis on those with protected characteristics in the "Community, equalities (including socio-economic) and health impacts" section, and how the measures referred to in this report will seek to alleviate adverse impacts. Cabinet should take account of this in considering this report.

Strategic Director of Finance and Governance

131. The Strategic Director of Finance and Governance notes the council's

Household Support Fund draft allocation of £2.73m for the period 1 October 2022 – 31 March 2023, with the recommendation that this should be used to extend the Southwark Council Cost of Living Fund.

132. The Strategic Director of Finance and Governance notes that the council will target its efforts to support those most in need. In order to achieve this, the council will review the operation of the Southwark Emergency Support Scheme to ensure that more vulnerable households avoid fuel and food poverty.
133. The full cost of the scheme will be funded by the Household Support Grant and will be monitored on a weekly basis to ensure no budget overspend, or in a case of a surplus to consider additional support mechanisms.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council Tax Rebate 2022	160 Tooley Street, London, SE1 2QH	
Link (please copy and paste into browser): https://moderngov.southwark.gov.uk/documents/s107260/Report%20Council%20Tax%20rebate.pdf		

APPENDICES

No.	Title
Appendix 1	Summary of Government response to the Cost of Living Crisis
Appendix 2	Cost of Living – Guide to Support in Southwark

AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Communities, Equalities and Finance	
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Dominic Cain, Director Exchequer Services	
Version	Final	
Dated	7 October 2022	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
List other officers here		
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	7 October 2022	