

Divisions Affected—All

Performance & Corporate Services Overview and Scrutiny Committee

19 January 2023

Cost of Living Update

Report by Robin Rogers, Programme Director (Partnerships and Delivery)

RECOMMENDATION

1. **The Performance & Corporate Services Overview and Scrutiny Committee is invited to consider and comment on:**
 - a. The measures Oxfordshire County Council have put in place to mitigate the effect of the cost of living crisis on residents across Oxfordshire.
 - b. Planned and proposed future measures.

Executive Summary

2. Residents across Oxfordshire are feeling the impact of significant increases in the cost of living not met by increases in income. Inflation is currently concentrated in energy and food costs, leading to disproportionate impact on those on the lowest incomes. The Government has announced a range of measures to support households. However, these measures will not be able to meet all need and there is significant risk that some households will be put under severe pressure with long-term financial, economic, and social consequences. This report summarises how Oxfordshire County Council has applied resources locally worked in partnership with other organisations, to help mitigate the effect of this crisis on Oxfordshire residents.

Overview

3. This item provides an update on Oxfordshire County Council's responses to the cost of living crisis. It gives an update on the measures the Council has implemented to help residents, reflects on lessons learnt to date, and outlines planned and proposed work. Finally, it briefly considers the Council's work as compared to the role of county councils nationally.

The Cost of Living Crisis

4. Pressures on the costs of living have been rising for some time. Inflationary pressures (driven significantly due to increasing prices of fuel, energy and food) along with low wage growth (especially for lower earners) has created a challenging environment for households. Inflation has an unequal impact: those earning the least (including those reliant on state benefits) experience the most significant and detrimental impact. This extends to ethnic minorities, those with disabilities, and low-income families with children.
5. A short briefing note on the drivers underpinning the cost of living crisis, and related research, is enclosed at **Annex 1**.
6. It is within this context that Oxfordshire County Council and its partners are operating. This background underpins the Council's approach to alleviating the crisis across Oxfordshire.

Oxfordshire County Council: Response

Overview

7. While local authorities have a crucial role helping residents during this challenging time, this is a national issue which the Council cannot resolve alone. Indeed, as the County Councils Network notes, "whilst councils are doing their utmost, we also recognise that we do not hold all the answers and navigating the present crisis will be complex, with strong partnership working between the public sector, the government, and the private sector necessary."¹ Significant national schemes are in place as part of the overall cost of living response. However, locally focussed activity can add an additional layer of support in identifying those most in need within our own local circumstances. Many of the factors driving the crisis and options for responding are not within the control of the Council and, so, partnership work is and has been key to the Council's response, as outlined below.
8. In that context, this section outlines measures implemented and planned by Oxfordshire County Council to mitigate the effect of the cost of living crisis on Oxfordshire residents.

¹¹ [New report shows how county authorities are helping their communities through the cost of living crisis - County Councils Network](#) p.3

Response Measures

9. In September 2022, a report was provided to Cabinet outlining implemented, ongoing, and proposed measures. Measures that had been implemented or were ongoing included the second round of the Household Support Fund, the continuation of the Holiday Activities and Food programme (HAF), support for the voluntary and community sector and grants to Citizens Advice, Better Housing Better Health, and the Care Workers Charity. Proposed measures included establishing an in-house crisis support service, expanded council tax reduction and hardship fund schemes, using our libraries as warm spaces, and providing two £100,000 grants to the voluntary and community sector. This section provides an update on these measures.
10. Officers adopted the following approach when developing these schemes:
 - Targeting limited funding towards the most financially at risk;
 - Working in partnership by putting resources where they have maximum impact e.g., by delegating funding to the City and District Councils and to the voluntary and community sector where they are the most effective delivery partners;
 - Delivering timely and sustainable responses by building on existing and proven models where available (e.g., by expanding Better Housing Better Health) and interventions which support people to support themselves, in line with core corporate approaches, including The Oxfordshire Way (e.g., support to advisory services);
 - Protecting community infrastructure e.g., VCS support and the Community Building Energy Support Scheme;
 - Moving forward to deliver tactical responses at the same time as developing longer term, strategic measures.
11. The set-of schemes outlined have been developed through engagement with City and District councils, the voluntary and community sector, local advisory agencies, Children's Trust, the Health and Well Being Board, and internal Council colleagues in Adult Social Care, Children's Services, Education, and Public Health. In particular, schemes were informed by the Cost of Living roundtable where statutory and VCS partners shared their experiences of the cost of living crisis and their suggestions for moving forward.
12. The development of the following programme of support also integrated learning from support provided during Covid-19 and previous work on the cost of living. This includes the importance of clear communication, the need for partnership working and providing funding to the most impactful stakeholder,

awareness that increased complexity reduces the take-up of schemes, and the risk that the one-off funding streams, including the Household Support Fund, will end at some point, creating 'cliff-edges' for residents where funding will cease abruptly. For example, some parents, who have only been in the early years or school system long enough that their children have always been entitled to free school meal vouchers during holiday periods, experience this to be the normal level of support available.

Summary of Support

13. Table 2 below provides a summary of the specific cost of living funding provided so far in 2022/23:

Scheme	Description	Status	Value	Funding Source
Support for Families, Children, and Schools				
Free school meal equivalent support	£15 per eligible child per week of school holiday for 6 holiday weeks (May half-term and Summer 2022). Including Early Years Providers. Schools may provide at their discretion even if students not eligible for FSM.	Delivered	£1,800,000	HSF 2
Free school meal equivalent support	As above, for October half-term, Christmas vacation, and February half-term.	Funding delivered for October / December	£1,000,000	HSF 3
Early Years Support Grant	Equivalent support for eligible younger children paid in a single grant of £60.	Funding delivered	£98,400	HSF 3
Targeted support for vulnerable groups				
Support for low-income pensioner households	£85 vouchers for 11,000 low-income pensionable households.	Delivered	£935,000	HSF 2
Council Tax Hardship Grants	Providing match funding to city & district councils to increase the support available for those residents in exceptional circumstances of financial hardship by providing discretionary assistance with their council tax.	In delivery	£380,000	Drawn down from budget priorities reserve, agreed September 2022
Emergency Welfare Schemes	Delegated to City and District Councils, including additional administrative costs. To help VCS deliver support including food services/hubs and application-based emergency support. Including £140,000 specifically to 656 pensioner households.	Round 2: Delivered Round 3: In delivery	£620,000 £559,712	HSF 2 HSF 3

Support for Voluntary & Community Sector

Community Building Energy Support Scheme (CBESS)	£100,000 grant funding administered via Oxfordshire Community Foundation (OCF) to help VCS organisations with energy costs this winter.	Grant determinations announced	£100,000	One off bring-forward of revenue funding, agreed September 2022
Contribution to Oxfordshire Community Foundation's cost of living grant round	£106,000 funding provided to OCF's cost of living grant round to support community – In addition OCF contributed £100,000 from funds held and raised an additional £85,000 in leveraged philanthropic funding.	Grant determinations announced	£106,000 (Creating total grant round of £291,000)	As above
Rent holiday	Rent holiday for 18 VCS organisations occupying Council premises for 2022/23 and 17 organisations in 2023/24.	Ongoing	£116,000	Agreed revenue budget 2022/23 and proposed 23/24
Grant to Citizens Advice	£210,000 grant to Citizens Advice to maintain debt and benefits advice services until June 2023. The Council also provided £50,000 to Citizens Advice to support with the costs of administration.	Delivered	£260,000	Cost of living revenue funding agreed February 2022 HSF 2
Grant to Care Workers Charity	£322,00 to the Care Workers Charity, providing crisis grants for the most in need and 'Blue Light Cards' for all eligible.	Delivered	£322,000	COVID funding
Grants to Better Housing better Health	Support for Better Housing Better Health , a local energy advice and retrofit service which helps keep residents warm and well at home and improves the energy efficiency of their homes. This includes a telephone and a home visit service, the latter being unique to Oxfordshire.	Ongoing	£500,000	Various sources across the Council and city/district partners including £245,000 cost of living funding agreed February 2022

Table 2: Summary of support being implemented by Oxfordshire County Council

14. In addition, the Council has supported a range of schemes across business areas which, although Cost of Living is not the only driver, have impact on the most vulnerable residents' day to day bills. These include:
- The Holiday Activity Fund: provided 30,000 places of positive, activity holiday child-care with the provision of quality food for lower income families
 - On-going investment in retrofit insulation programmes, focusing on low income households and maximising the draw-down from national grant schemes
 - The £500,000 community capacity voluntary and community sector grant scheme, supporting grass-roots initiatives across the County to support vulnerable adults to stay connected in their communities

Forthcoming schemes

15. To complete the third round of Household Support Fund a further suite of interventions is planned for the final quarter of 2022/23 to support financially impacted groups. These include:
- Residents who don't qualify for key national cost of living schemes but are nevertheless in financial need;
 - Additional funding for schools to support families with key day to day needs (in addition to the Free School Meal grant);
 - Families of children who have disabilities or are severely ill;
 - Vulnerable adults we can identify as the most financially in need;
 - Carers, including low-income carers, Shared Lives carers, and foster families;
 - Hospital discharge leavers;
 - Other priority groups.
16. A fourth round of Household Support Funding has now been announced for 2023/24, allowing continuation and refinement of the interventions made so far. In addition, further measures for 2023/24 are under consideration as part of the business and budget planning process, as set out elsewhere on this agenda.

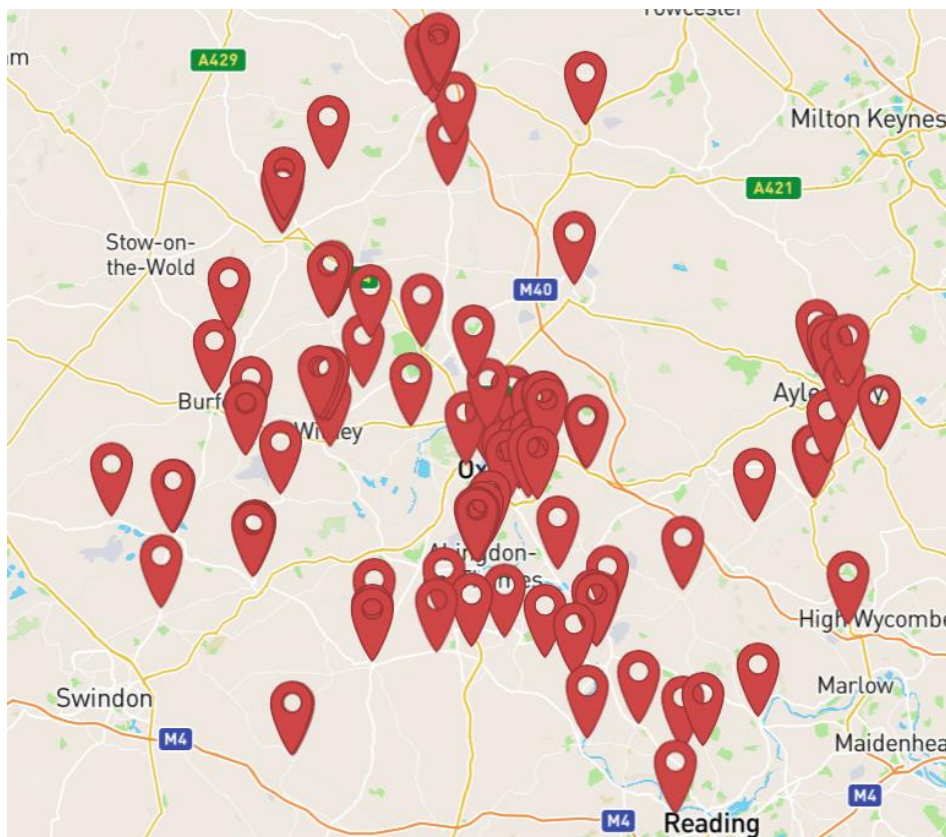
Warm Welcome

17. The County Council has supported organisations helping to provide warm and welcoming spaces this winter and, as usual, all 44 of our libraries are open as warm, welcoming, and safe spaces for the public. The Council agreed a co-ordinated approach with the city and district councils. The County Council and its city and district partners have encouraged all organisations offering a warm space or warm welcome to sign up to the national [Warm Welcome Network](#). To support their offer as a warm space, the County Council



funded the CBESS grant scheme to support local community organisations with energy costs.

18. [Oxford City Council](#) and Cherwell District Council, who felt that a hyper-local provision would be beneficial, have also developed their own local warm space/warm welcome networks and maps, recognising the need for such spaces to be organised around communities and networks at a hyper-local level. This was not felt to be appropriate in South Oxfordshire, West Oxfordshire, and Vale of White Horse District Councils given the rurality of such regions.



Screenshot of Oxfordshire from the national Warm Welcome Network

19. The Council's 44 libraries have continued to offer a range of activities and events to residents and, as always, were open and welcoming to the public this winter. To enhance this offer, officers developed provision of warm drinks across all 44 libraries for three months (January to March) to accompany existing library activities. This should encourage residents to access support and engage in existing activities so that they maintain social connection this winter.
20. Officers opted for "Warm Welcome" rather than "warm bank" or "warm space" on the basis that it is less stigmatising and more welcoming. "Warm welcome" focuses on supporting existing activities and opportunities to avoid loneliness

and isolation as well as keeping healthy and well. Residents can also access help and support as well as accessing free wi-fi and open-access PCs.

Support for the Voluntary and Community Sector

21. In September 2022, Cabinet agreed to provide two grants to the voluntary and community sector to support important community organisations during the cost of living crisis.
22. By supporting the voluntary and community sector, the Council could continue its commitment to strengthening the sector as a whole and have greater confidence in ensuring that grants were allocated to grassroots organisations able to make a sharper impact at a local level. In addition, it supported existing community infrastructure during a difficult winter. This is of particular relevance to groups supporting residents, including community food services, money and debt advice, networks for older people and vulnerable adults and those working with families in need.
23. The first was to contribute to the Oxfordshire Community Foundation's Cost of Living grant funding round. The Council provided a total of £106,000 which was matched by OCF to the effect of £100,000. Since the launch of the scheme, OCF raised a further £80,000. Out of a total of 85 applications received (and £315,034 requested), 41 projects were funded. Future monitoring of the outcomes could inform further cost of living work across our respective organisations.
24. The second was to establish a bespoke fund, the Community Building Energy Support Scheme (CBESS), to support community organisations with energy costs to allow them to continue providing support and activities that contribute to wellbeing this winter. Given the need to establish the fund at pace, and a lack of requisite skills and resources within the Council at the time, the Council formally partnered with Oxfordshire Community Foundation to codesign and administer the scheme with the Council and, informally, with Community First Oxfordshire to sharpen our collective understanding of community organisations across County. Further details on CBESS are provided below.
25. Throughout the process the Council remained alert to the pressures and potential lack of capability within voluntary sector organisations to complete the application form. Consequently, the form was purposefully short and simple.
26. CBESS received 138 applications asking for a total of £295,855 out of an available sum of £100,000 investment from the Council.
27. The grant panel arrangement determined the merits of each application in respect of the established broad criteria while ensuring that money was

disbursed across the County. Challenging decisions were made which resulted in all monies being spent across 105 different projects. Due to oversubscription of the scheme, additional criteria were needed to ensure funding was prioritised for those organisations most aligned to the scheme's policy intentions.

28. Applications which failed to secure funding failed due to one or more of the following reasons:
- Not completing the application form completely or well enough to understand services provided and their beneficiaries;
 - Organisation applying was not a community/voluntary sector organisation;
 - Had already received funding to cover some/all operating costs within other funding rounds (Cost of Living or Community Capacity);
 - Organisations operating outdoor activities;
 - Organisations operating pre-school facilities or similar (and therefore had recourse to other funds).
29. The process led to various lessons learned:
- a. Partnering with OCF enabled best delivery of scheme. The Council lacked the capacity and some of the capabilities required at that time to undertake a grant round which, as anticipated, was oversubscribed.
 - b. Despite efforts to provide funding across the Council, there were various 'cold spots' across the County where few or no applications were received for CBESS. Those areas included Wantage and Grove, Abingdon, Witney and Chipping Norton. The Council's continued response to the cost of living must better understand Oxfordshire's community infrastructure / assets.

Support for Staff

30. The annual pay award for 2022/23 was agreed as an increase of £1,295 across all pay scales back dated to 1 April 2022. The offer was designed to ensure those on the lowest salaries benefited the most, with staff on scale points one to three receiving a salary increase of over 10 per cent. The proposal has been accepted by trade unions and the pay award, backdated to 1 April 2022, was paid at the end of December.
31. A one off payment was made to the lowest paid staff who incurred the highest levels of mileage due to the nature of their roles during 21/22. Those eligible were contacted by early October. To mitigate the impact of fuel costs in the longer term, a project is being implemented to transform the Council's fleet management to shift to more electric vehicles in line with the Council's commitment to climate action.

32. In response to rises in the cost of living, the Council is also introducing additional financial and wellbeing support for our workforce. The service is regulated by the Financial Conduct Authority and will be available in the next eight weeks. This service is at no cost to the Council. Resources will include:
- A wide range of educational resources to support financial wellbeing which are provided in a range of different formats to suit different learning styles and different financial situations.
 - A range of 'help to save' schemes directly deducted from salary
 - Responsible lending schemes
 - Advance – this give employees access to their pay as it is earned to help support emergencies and better budgeting.

Communications, Information, and Engagement

33. On the 6 October, representatives met around a virtual roundtable from across Oxfordshire's voluntary and community sector, NHS, local schools, county, city, and district councils to discuss a collaborative response to the Cost of Living crisis. Their key take-aways included:
- This is not just a short-term crisis: it will become a long-term crisis
 - The situation is urgent and widespread
 - There are many new groups of people in need
 - Communication is crucial: information must be visible and accessible
 - We must work collaboratively and locally
34. The Council's communications strategy was developed with this feedback in mind. The focus is on flagging up the support, advice, and resources available to residents across the county. This is a cross-county campaign, involving all district and city council partners, to amplify the message. There are two aspects to this campaign:

Council corporate activity – including the allocation of funding, the agreement of policies, news about delivery of packages of support with partners. This is being delivered through the press, social media, and residents' e-newsletter.

Countywide signposting and support – practical signposting and support provided through social media, digital channels, and posters. The Council's role is to clearly articulate the help on offer and provide a central place for people to come to find out information.

35. All residents continue to be directed to the Council's dedicated cost of living webpage where they can find support: www.oxfordshire.gov.uk/living

36. The Council's digital campaign is focused around three themes:

- Saving you money
- Keeping you warm and safe
- Supporting your family

This campaign continues to respond to new opportunities and help available to residents. Alongside this, the Council has provided a toolkit to district and city partners with digital assets, graphics, and messaging to ensure we jointly take a co-ordinated approach.

37. The Council has already received some good preliminary feedback on its campaign and messages.

38. The Cost of Living roundtable clearly fed back the importance of being aware of digitally excluded residents and the importance of posters and community activity. As a result, the Council sent out over 4,000 posters to over 600 locations across the County, including:

- Libraries
- Parish & Town Councils
- Village & Community halls
- Children's Centres
- GP practices
- Care providers
- Faith groups

Councillors can request posters [here](#).

39. Posters were also emailed to key VCS partners, including Oxfordshire Community Foundation, Community First Oxfordshire, Oxfordshire Community and Voluntary Association, Oxfordshire Association of Local Councils, and Oxford Hub. The Council has also provided written content for use in community newsletters—again, to ensure a co-ordinated and joint-up approach. An example poster is displayed below:



Impact

40. Given the rate of change in circumstances and the range and complexity of national schemes in place, disaggregating the impact of one-off cost of living funding at the local level is not practical. However, informal feedback is clear that relief funding has positive impact on individuals.
41. For example, parent and school leaders continue to feedback that support ahead of school holidays remains an important resource for families. The City and Districts have committed the full delegation of local support funding in every round of funding, showing that need is being addressed. In addition, for the support offered to pensioner households, uptake of these vouchers is currently around 87%.
42. The Council has received a number of unsolicited positive responses to this support, with some letters saying:

“I write to offer my sincere gratitude for this payment, which will be of considerable benefit to my circumstances. Thank you.”

“It was such a welcome surprise to receive the support payment. The cost of living energy crisis has been an ongoing worry. Thank you for this help, much appreciated indeed!”
43. In building the business case for longer term interventions there is an opportunity to build in mechanisms for more formal impact assessment. For example, the programme mandate for the Better Housing Better Health programme incorporates impact measurement has dedicated funding to assess the health impact of this investment. Better Housing Better Health+ has completed 162 home visits so far. The National Energy Foundation operates in nine counties, but the BHBH home visit service only operates in Oxfordshire. Of those BHBH+ helps, about 75% have long-term health conditions, about 60% are over 65, and 43% and 37% are on means-tested and non-means-tested benefits respectively. At least 40% of BHBH calls provide support to social housing tenants.
44. The newly established crisis support service will incorporate regular and continuous reporting so that the Council can continually adjust criteria against the needs and experiences of residents.

Challenges and Lessons Learned

45. Providing a response to the cost of living crisis over the last six months has involved many challenges and led to lessons learned, summarised below.
46. The biggest challenge faced is that local efforts can only address a limited number of priority needs. Where national funding is provided, there is a conflict between the priorities which can be accommodated. For example, the Government has asked local authorities to provide support to those residents not qualifying for national cost of living payments because their benefits are locally provided. However, this provision must be balanced alongside other groups experiencing significant cost of living impact, including families with children and residents with disabilities.
47. An additional key challenge involves access to data about individuals, with the Council lacking an existing financial relationship with many individuals it has been asked to support, rendering it very difficult to provide support. To remedy this, the council is procuring a new system with the ability to safely pay directly into bank accounts at large scale.
48. Another challenge is the ability to accurately assess need. This is in part due to the fragmented nature of data ownership, with DWP and city and district councils owning significant data about individuals and their circumstances, but not the Council. This renders it difficult, as an upper-tier authority, to administer support directly to those in need. To enhance the Council's ability to target support in changing circumstances, Cabinet have agreed to implement a new Crisis Support Scheme in early 2023/24 to enable application-based schemes. This will allow the Council to provide support based on the level of need as detailed in the application. This will ensure that targeted support is provided at the appropriate level and that support is not only provided to those already known to the Council, but also those not already known. Funding will be derived from national schemes as they are confirmed in addition to the Council's four year funding agreed through the budget setting process in February 2022.
49. Another challenge is the short-term nature of the Household Support Fund and predecessor funding streams, lasting just 6 months and needing to be spent within that period, often with extremely limited advance notice. However, the fourth iteration of the Household Support Fund (HSF 4) from April 2023 has already been announced and is expected to last 12 months. Pending formal confirmation, this will allow for longer-term planning for the year ahead (see below). The Council has also mitigated this challenge by dedicating £500,000 of revenue funding to the ongoing impacts of the cost of living for 2022/23 and the three subsequent financial years.

Future Measures

50. With the above lessons learned in mind, the Council plans to deploy local and national resources to continue best supporting residents in need and providing the best value for money. This will include:
- **Implementing an in-house Crisis Support Scheme.** This will enable application-based support where residents can apply for emergency funding based on need. This will help provide support to digitally excluded residents, residents with unique circumstances, and residents who are unknown to the Council. This will bring the Council into line with other local authorities in terms of available provision. A procurement process is underway and officers hope this will be operational in Q1 2023/2024.
 - **Further work on maximising benefits.** The latest estimates show that between £55m and £75m of core government benefits go unclaimed in Oxfordshire each year. Communications and marketing about unclaimed benefits across Oxfordshire will continue. Building on this, officers are scoping out the possibility of a data-led approach to determine which households might be eligible for but not claiming benefits. This would be used to maximise the impact of benefit take-up schemes.
 - **Supporting city and district councils to deliver two central government schemes which will help those using alternative fuels.** The Council will support the City and District Councils to work closely with the Department for Business, Energy, and Industrial strategy to provide the £400 energy rebate to households who do not have a direct relationship with their energy provider (including those in care homes, park homes, caravan sites, permanent traveller or boater addresses). The Council will also support the City and District Councils to work with DBEIS to deliver the £200 alternative fuels payment to households whose main source of fuel is not mains gas or electricity, such as those reliant on LPG or oil fuel.
 - **Investigate new support to vulnerable groups in acute need,** which may include low-income young people, those missing out on national schemes, and victims of domestic abuse.

What is the role of a county council during the cost of living?

51. This section considers the Council's response in light of the County Councils Network (CCN)'s *County Spotlight* on the role of county councils during the cost of living crisis, produced in June 2022.² This report highlighted best practice across county councils. Key points from this report are outlined below as a benchmark for the Council's work mitigating the effect of the cost of living.
52. The report highlighted various key guiding principles for counties, building on their unique position as upper-tier authorities:
 - Provide support to those most in need
 - Build on work learned from COVID-19
 - Combine local with strategic
 - Provide support quickly
 - Deliver comprehensive 'pan-county' schemes
53. The report also noted various limitations that counties face, namely significant inflationary costs / financial pressures as well as a lack of power over economic growth, housing, transport, and skills.
54. In terms of practical support, the report particularly highlighted the crucial role of upper-tier authorities in disbursing the Household Support Fund effectively. They underline the need to "support those at the sharp end of the cost of living crisis" using data insights to identify priority groups. Exemplar support included distribution of food vouchers, support for elderly people at risk of fuel poverty, and supporting communities. The Council has offered all of the above during 2022/23 in the form of free school meal holiday vouchers, 11,000 £85 vouchers to low-income pensionable households, and two grant rounds for community and voluntary organisations.
55. Below are listed the various forms of help highlighted by CCN—and whether/how the Council has provided this type of support:

² [New report shows how county authorities are helping their communities through the cost of living crisis - County Councils Network](#)

CCN suggested activity	Oxfordshire County Council response
Distributing food and fuel vouchers Vouchers for gas electric bills to low-income families	Distributed millions of pounds of food vouchers Procurement of fuel vouchers in train
Direct payment to local schools, colleges, and early years providers	Provided £15/eligible child per week for October half-term, Christmas holidays, and Feb half-term—for all schools, colleges, and early years providers
Freezing adult education and transport prices	Transport cost measures addressed in partnership with national schemes and additional proposals outlined through the 23/24 budget process.
Funding for care leavers	Additional dedicated support last provided during Christmas 2020. Care Leavers eligible through local welfare schemes and potential to provide support as part of HSF 4 and through the new crises fund.
Targeted support for those with disabilities and special needs	Yes, provided as part of four dedicated schemes for families with children with disabilities, vulnerable adults in receipt of care, adults with long-term health conditions identified by BHBH, and Shared Lives families. All funded by HSF 3.
Targeted funds to children in care and young carers	Support for carer families including families who have fostered children and low-income carers
Providing slow cookers, white goods, and electrical equipment	£15,000 discretionary pot to Better Housing Better Health to provide all three as part of our local energy advice service Discretionary funding for hospital discharge includes provision of all three
Free books and activity packs for households	The Council continues to support the Holiday Activities and Food (HAF) scheme, providing 30,000 places and specific local advice and activity provided through Public Health and VCS funding
Grant funding for food banks and community pantries	Provided via emergency welfare funding delegated to City & district councils Also supported by CBESS grants
Funding to domestic abuse charities	Additional support to-be implemented through Public Health funding.
Financial support to voluntary groups and CAB	Dedicated cost of living support plus administrative support via delegated funding to city & districts and funding through VCS sustainability grant and community capacity grant.

Engagement and Governance

56. The proposed schemes have been developed in consultation with City and District councils, the voluntary and community sector, local advisory agencies, the NHS, and internal Council colleagues in Adult Social Care, Children's Services, CEF, and Public Health.
57. The proposed schemes have been developed following the Cost of Living roundtable where statutory and VCS partners shared their experiences of the cost of living crisis and their suggestions for moving forward. They also take into account lessons learned during Covid-19 and prior cost of living support.
58. The development of the Education Welfare Grant took into account a consultation with the Head Teachers Executive.

Financial and Staffing Implications

59. The full costs of the schemes herein, including identified administrative costs, will either be supported through the nationally provided HSF grants or through previously agreed corporate funding. Funding available for specific cost of living interventions is sourced as set out within the report and agreed either through the revenue setting process or specific decisions authorising additional funding, including the Cabinet report from September 2022. Additional proposals for further cost of living interventions, if required, will be included in budget proposals submitted to Cabinet for 2023/24 in January 2023. There are therefore no direct financial implications of this report.
60. Officer time from the existing programme team has been required to develop the schemes and further internal resources, including from corporate finance, service teams, digital and customer teams, corporate strategy, and communications.
61. Where specific additional administrative costs have been identified, these have been recovered from grant schemes, where permissible.
62. The on-going impact of increases in the cost of living on staff members themselves remains of concern and in addition to the measures set out in this report, will remain under review and reported through regular staffing reporting.

Comments checked by:

Bick Nguyen-McBride, Assistant Finance Business Partner, bick.nguyen-mcbride@oxfordshire.gov.uk

Legal Implications

63. Where funding is provided from national government for specific interventions, the Council is required to disperse funding in accordance with binding grant conditions. Where the Council is working in partnership with third parties to deliver interventions funded in such a way, appropriate grant agreements or contracts are in place to ensure that the grant conditions are complied with.

Comments checked by:

Paul Grant, Head of Legal (Deputy Monitoring Officer),
paul.grant@oxfordshire.gov.uk

Sustainability Implications

64. Where possible, interventions to support with the costs of energy have been designed to additionally reduce energy usage and carbon production in the longer term, e.g., the Better Housing Better Health programme.

Equality and Inclusion Implications

65. The scheme is designed to meet the needs of the most economically disadvantaged residents in Oxfordshire, including low-income families and young children, residents with disabilities or long-term health conditions, hospital leavers, elderly residents, carers and those in care, and asylum seekers.
66. The new proposals outlined herein have taken multiple approaches to meet the needs of vulnerable residents with essential costs, especially energy, this winter.
67. To ensure the scheme provides support to the most in need, officers have recommended using existing criteria to identify vulnerable residents, such as free school meal eligibility, carer status, and receipt of Housing Benefit or Council Tax Reduction. In the case of Free School Meal equivalent support, support is extended at the discretion of schools to ensure the scheme supports those who do not quite qualify for existing free school meal criteria.
68. Discretion is at the heart of many elements of the schemes, which are designed with flexibility so that local professionals can exercise discretion to support a need that would not otherwise be met. This includes the Free School Meals+ programme, Hospital Discharge Support Fund, funding for Better Housing Better Health, and energy cost support for children with disabilities.

69. Nevertheless, there remain various groups which this proposal has been unable to support. This includes cohorts where some residents remain unknown to the Council, including carers (many of whom do not identify as carers) and adults with disabilities who do not receive care or support from the Council. Other cohorts include lower-income younger persons, care leavers, those on prepayment cards, and home schooled students. Officers plan to target support towards these groups as part of the recently announced HSF 4, for which the Council should have the ability to open application-based support for cohorts unknown to the Council, so long as HSF 4 guidance provides the flexibility to support these cohorts. Officers anticipate that this should be possible.
70. By including an open access application process through the City and District emergency welfare schemes, support can be made available for those who may not be able to access existing support programmes. The County Council's agreements with the City and District Councils includes the requirement for the recipient councils to have due regard to issues of equality and access in the design of their local schemes.

Annex 1: Oxfordshire Cost of Living Background, January 2023

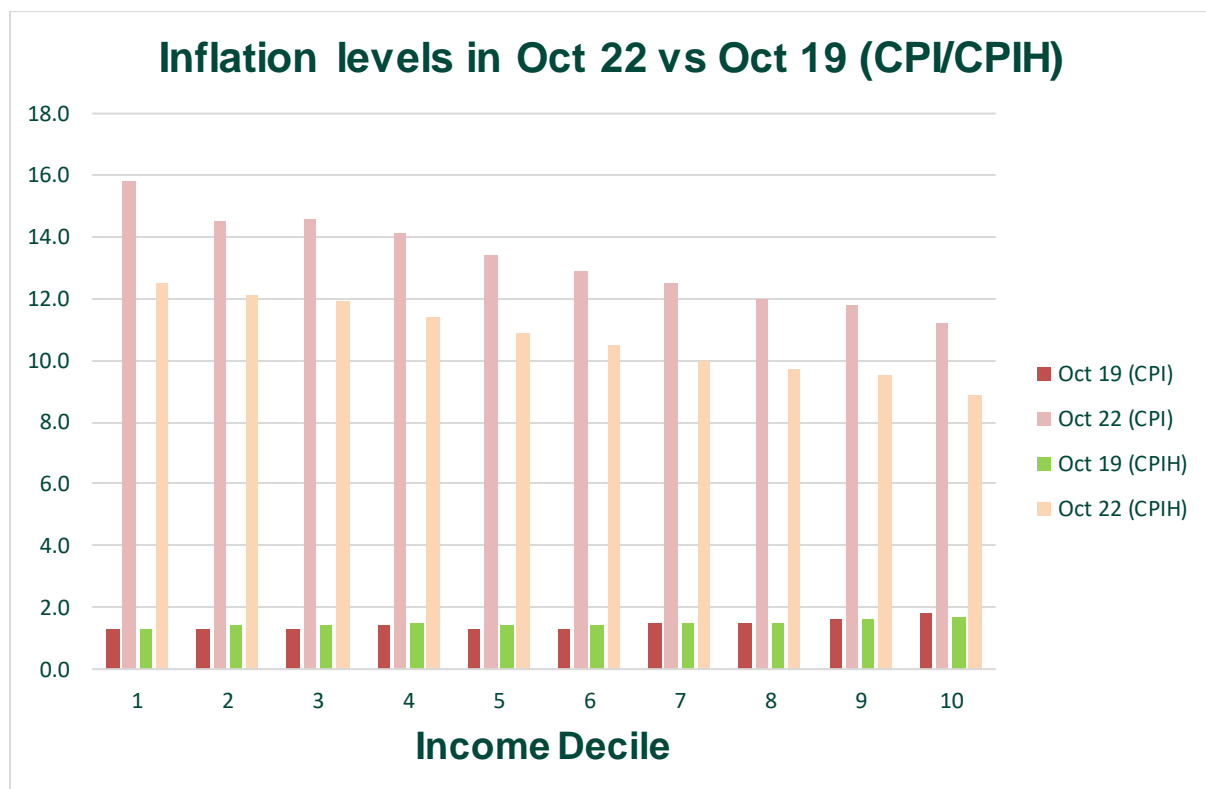
Robin Rogers, Programme Director (Partnerships and Delivery)

Contact Officer: Jamie Slagel, National Management Trainee, Cost of Living Response Co-ordinator, jamie.slagel@oxfordshire.gov.uk

10 January 2023

Annex 1: Oxfordshire Cost of Living Background, January 2023

1. The Consumer Prices Index (CPI) rose by 10.7% in the 12 months to November 2022, marginally down from 11.1% in October 2022 but still higher than 10.1% in September 2022.³ October's rate is the highest on record, which began in January 2006. ONS's indicative estimates suggest that this is probably the highest CPI rate since October 1981. The Consumer Prices Index including owner occupiers' housing (CPIH) annual inflation rate rose by 9.3% in November 2022, slightly down from 9.6% in October (the highest since December 1980) but still higher than 8.8% in September.⁴
2. However, the cost of living crisis does not affect everyone equally: these pressures more adversely affect low income households, as can be seen below. Each bar represents the inflation level for each income decile in October 2022 vs October 2019. Decile "1" is the lowest-income decile; decile "10" the highest income.



Data source: ONS⁵

³ <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/latest>

⁴ [Consumer price inflation, UK - Office for National Statistics](#)

⁵ Office for National Statistics (ONS), released 16 November 2022, ONS website, article, [Inflation and the cost of living for household groups, UK: October 2022](#)

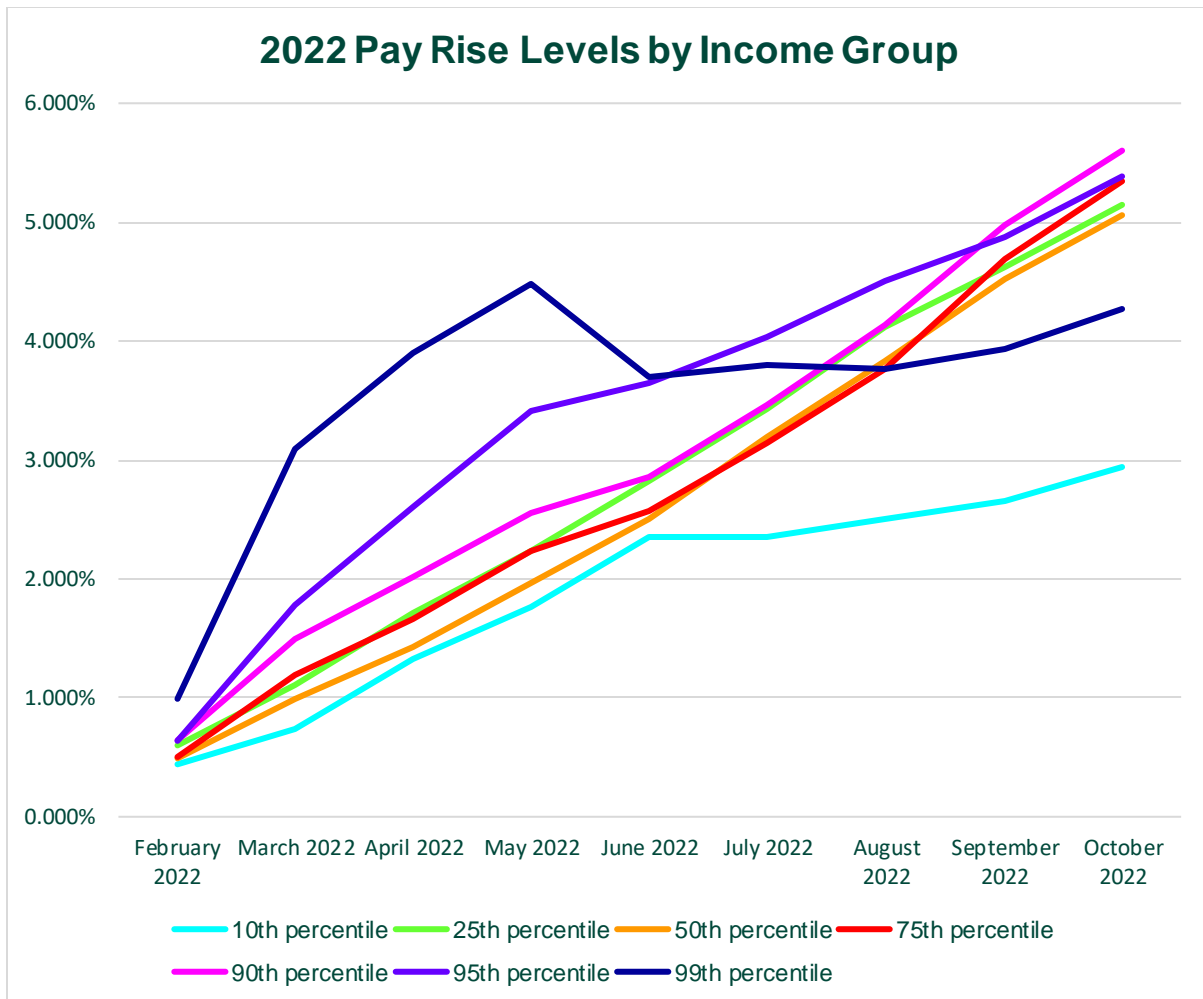
3. The steepness of the graph shows just how much higher inflation is for lower income households than higher income households experience. For the most deprived decile, CPI is 15.8% and CPIH is 12.5% (CPIH includes while CPI excludes housing costs).
4. These inflation rates are the highest for decades—however, they are reaching their peak. November saw a lower inflation rate than the previous month. However, while this does mean that the cost of living is no longer accelerating, prices are still increasing significantly. So, pressures will continue to mount on households across the UK and Oxfordshire.
5. Wage increases have failed to increase in line with inflation. The BBC reported that in the 12 months to September, regular pay only rose by 5.7% and, adjusted for rising prices, fell by 2.7%.⁶ In the 12 months to November 2022, median pay only rose by 8%.⁷ The BBC also recorded a record gap between pay rises in the private vs public sectors (2.2% vs 6.6%).⁸ The OBR expects that, overall, real post-tax household income will fall by 4.3% in 2022-23, the biggest fall since comparable records began in 1956.⁹
6. But again, pay rises have not been equal. The graph below shows the percentage increase in median pay for various income groups since the start of 2022:

⁶ <https://www.bbc.co.uk/news/business-63624996>

⁷ [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted - Office for National Statistics \(ons.gov.uk\)](#)

⁸ <https://www.bbc.co.uk/news/business-63624996>

⁹ [Economic and fiscal outlook - November 2022 - Office for Budget Responsibility \(obr.uk\)](#)



Source: ONS, *Employee earnings in the UK: 2022*¹⁰

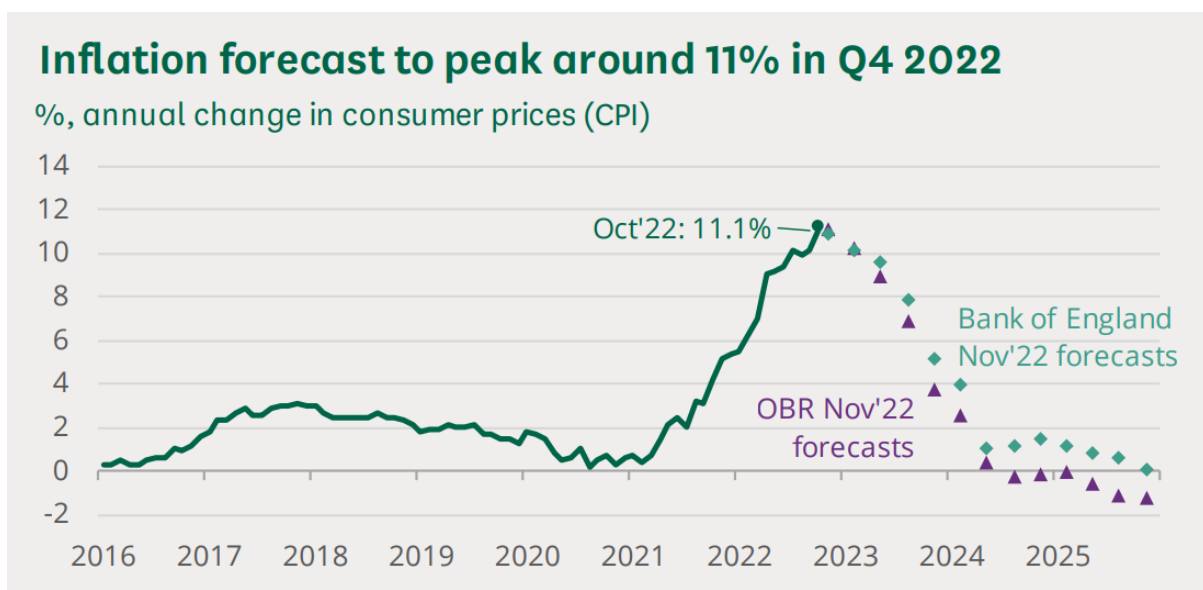
7. The 10% of households on lowest incomes have experienced the lowest percentage increase in their median income—while the top 10%, top 5%, and top 25% have seen the greatest percentage increase, respectively. The cost of living crisis has hit the lowest income households the most. In short, not only are the lowest income households the least equipped to tackle pressures, they are also experiencing high levels of inflation while receiving the lowest level pay rises.

8. These pressures are certainly reflected in the experiences of the British public. In the ONS' public opinions and social trends survey of Great Britain (8th to 20th November 2022), 94% of all persons said their cost of living has increased over the last 12 months—stable across all income quintiles. This is up from 91% in the previous response period (26th October to 6th November 2022). Of those who said their cost of living had increased over the last 12 months, 86% experienced increased gas/electricity bills and 96% paid more for their food

¹⁰ [Employee earnings in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/employment-and-labour-markets/earnings-and-employment-from-pay-as-you-earn-real-time-information), Data from: [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/employment-and-labour-markets/earnings-and-employment-from-pay-as-you-earn-real-time-information)

shop. This is marginally down from the previous response period (26 Oct - 6 Nov) at 91% and 97% respectively. 79% paid more for fuel, marginally up from 76% in the previous response period. 63% said they were using less fuel in the home during both response periods. 76% of all persons said their cost of living has increased compared to one month ago, marginally down from 77% in the previous response period. 76% said they have been somewhat (25%) or very worried (51%) about the rising costs of living in the past two weeks—marginally up from 75% (25%, 50%) in the previous response period.¹¹

9. These stark figures have led to difficult decisions for millions of households across the UK. In Joseph Rowntree Foundation's most recent report, they found that, since June, 7.2 million households (62%) have been going without essentials: going hungry, skipping showers, or lacking adequate clothing. 4.7 million households (41%) are in arrears with at least one household bill—the average being above £1,600 per household. 4.3 million (37%) are going without essentials *and* in arrears with at least one household bill. Finally, over 3 million households (28%) could not afford to keep their home warm.¹²
10. The Office for Budget responsibility's latest forecast suggests that October represented peak inflation rate: inflation rates will no longer continue to rise. The Bank of England's and the OBR's forecasts are displayed below:



Sources: ONS [monthly outturn data](#) up to Oct 2022, then quarterly forecasts from OBR, [Economic and fiscal outlook – Nov 2022](#), and Bank of England [Monetary Policy Report, Nov 2022](#) Note: Quarterly forecasts based on market expectations of interest rates

¹¹ All data sets here: [Public opinions and social trends, Great Britain: household finances - Office for National Statistics](#)

¹² All figures from: <https://www.jrf.org.uk/file/59381/download?token=cLtv8-Zf&filetype=briefing>

11. While inflation rates may not continue to rise, prices will. This follows a period of severe economic shock to households across the UK and Oxfordshire. While some households will be able to soak up this impact—by cutting down on luxuries, leaning on savings, or relying on friends and family—many will not. This will lead to what the Joseph Rowntree Foundation call ‘economic scarring’: when residents have stopped saving, start taking on bad debts to pay bills, and reduce or stop pension contributions and insurance payments. In October 2022, 22% of *all* working households were in this situation.¹³

Energy and Fuel

12. The largest cause of inflation is energy, despite government interventions. The price of gas increased by 128.9% in the 12 months until October 2022 while the price of electricity increased by 65.7% in the same period.¹⁴
13. In October, the Energy Price Guarantee (EPG) increased to £2500 pa for an average household—almost double the winter 2021/22 price guarantee. However, the Chancellor announced that the energy price guarantee will rise to £3,000 for a typical household in April 2023.
14. This has led to increased fuel poverty, with latest estimates suggesting that 8.6 million households (32%) will be in fuel poverty by April 2023.¹⁵ Cold homes, which result from fuel poverty and/or decreased energy consumption, can lead to respiratory conditions, cardiovascular diseases, poor mental health, dementia, hypothermia, problems with childhood development, and death. Indeed, the Institute of Health Equity estimates that, in 2019, the NHS spent at least £2.5bn on treating illnesses directly linked to cold homes. The Institute of Health Equity also estimated that England saw 63,000 excess winter deaths in 2020-21, of which 10% were directly attributable to fuel poverty and 21.5% were attributable to cold homes. This was higher than the Northern European average.
15. In addition to the Energy Price Guarantee and the Energy Bills Support Scheme, the government has provided winter fuel payments, cold weather payments, the warm home discount, the Household Support Fund, and has announced further cost of living payments for 2023.

¹³ [Going under and without: JRF's cost of living tracker, winter 2022/23 | JRF](#)

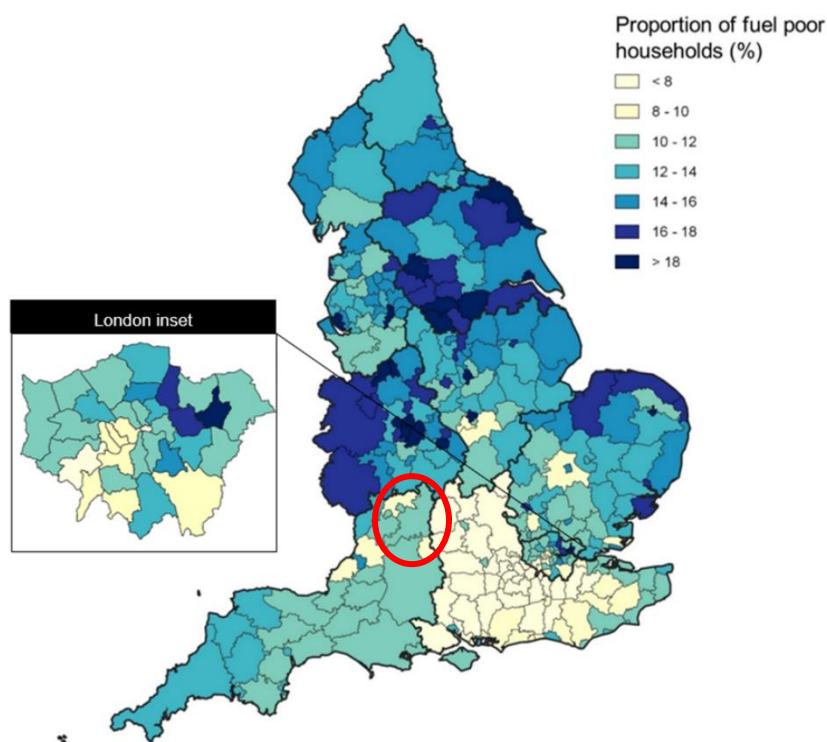
¹⁴ <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/october2022>

¹⁵ <https://www.endfuelpoverty.org.uk/coalition-responds-to-chancellors-autumn-statement/>

16. In 2020, the last time official statistics were available, Oxfordshire had an estimated 22,861 households in fuel poverty, a rate of 8.1% compared with 8.6% in the South East.¹⁶ See breakdown by local authority below:

Fuel Poverty (2020)¹⁷		
District	Count	Rate
Cherwell	4,826	7.8%
Oxford City	6,651	11.0%
South Oxfordshire	4,129	7.0%
Vale of White Horse	3,809	7.1%
West Oxfordshire	3,446	7.3%
Oxfordshire	22,861	8.1%

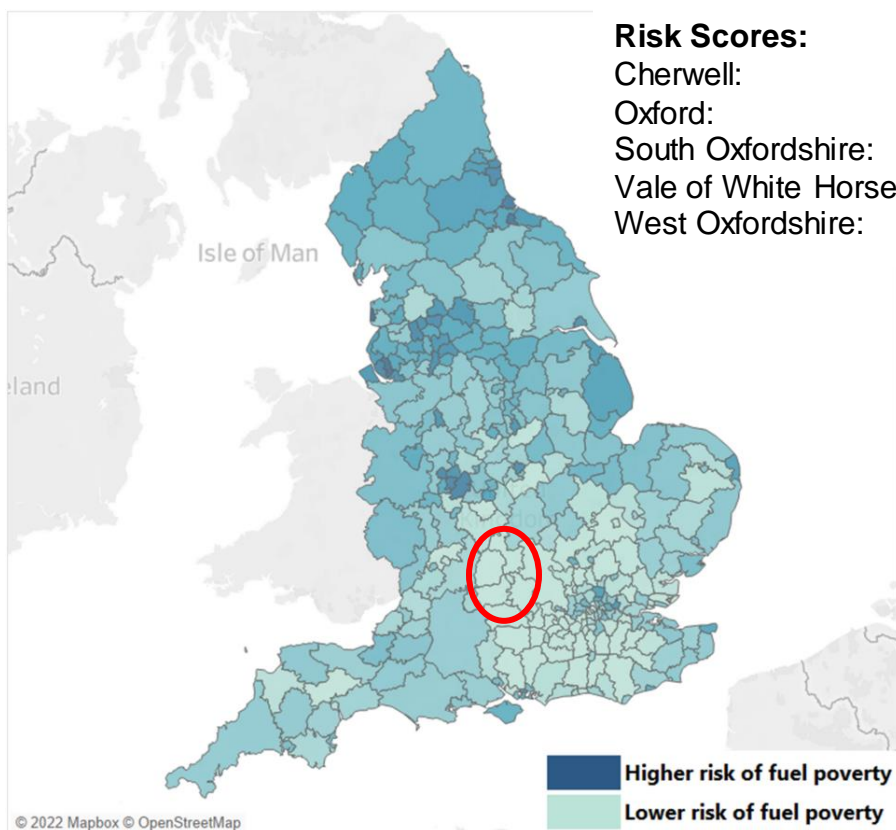
17. Government analysis of this data suggests that fuel poverty rates are low in Oxfordshire compared to the rest of England, although relatively high in Oxford:



¹⁶ <https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2022>

¹⁷ A household is considered to be fuel poor if: (a) they have a fuel poverty energy efficiency rating (FPEER) of band D or below; **and** (b) if they were to spend their modelled energy costs, they would be left with a residual income below the official poverty line.

18. More recent work by the Open Data Institute has provided risk scores to local authorities.¹⁸ Oxfordshire has a lower risk of fuel poverty according to this:



19. There remain challenges in Oxfordshire, with greater difficulty improving home energy efficiency and greater dependence on LPG and oil fuel in rural areas. In addition, the high proportion of private renting in Oxford city means a lesser ability to retrofit and/or improve household energy efficiency. It is estimated that 55,000 households across Oxfordshire rely on off-grid energy sources, with roughly 20,000 of those using off-grid energy as their main energy supply.

Food

20. Inflation for food and non-alcoholic beverages is at its highest rate since September 1977: 16.5%.¹⁹ This is particularly felt by low income groups who were already reliant on more affordable food items, such as in-house brands, and so are unable to switch to more affordable items to cushion rising costs. Over the course of the last year, The Food Foundation reports a 100% rise in

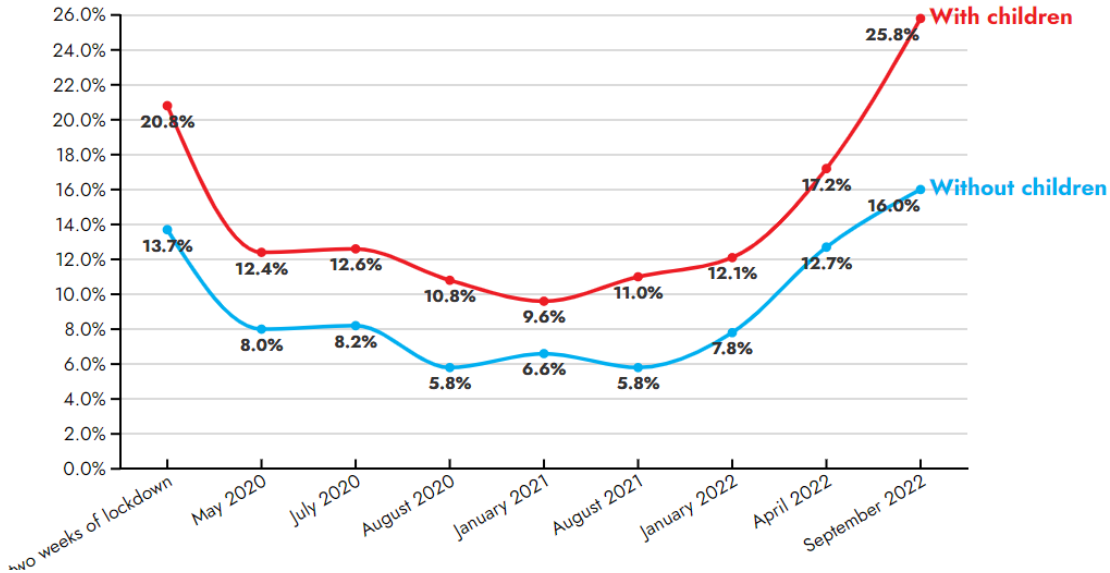
¹⁸ https://theodi.org/wp-content/uploads/2022/11/Fuel-poverty-and-data-infrastructure_ODI-report.pdf

¹⁹ [Consumer price inflation, UK - Office for National Statistics](#)

food insecurity, with 4.7 million households (8.8%) being food insecure. This includes over ¼ of households with children:

Food insecurity has increased more in households with children

Percentage of households experiencing food insecurity*:



* 1-month recall period

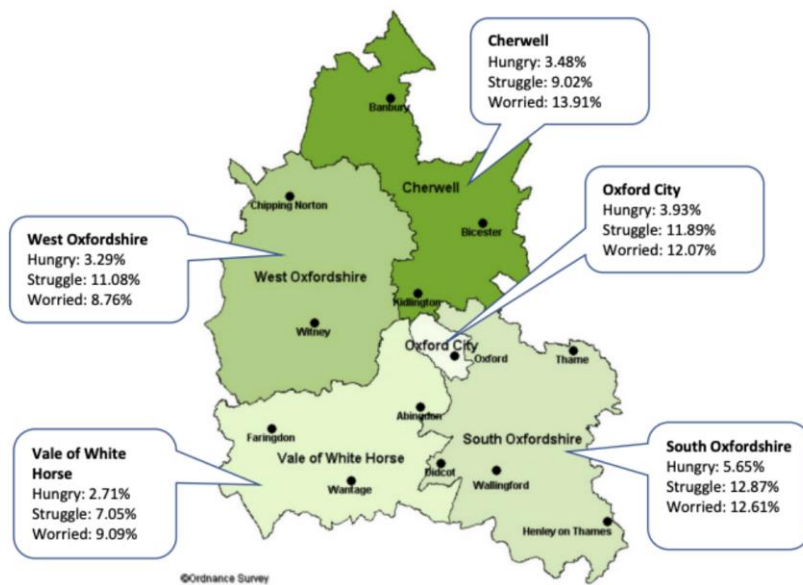


Source: <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking>

21. Teachers have reported that 15% of families in their school have approached them asking to be referred to a foodbank.²⁰ At the same time, the number of children eligible for free school meals is not increasing at the same rate because the eligibility criteria have been frozen, despite the high levels of inflation.
22. Similarly, a record number of people asked CA for a food bank referral at the start of December 2022 (5188)—2.3x higher than 18 months ago and almost 1.4x as high as just one month ago.²¹
23. In 2021, this is what food insecurity looked like in Oxfordshire:

²⁰ [PowerPoint Presentation \(suttontrust.com\)](#)

²¹ [CA cost of living data dashboard | Flourish](#)



24. Updated figures have not been released since the cost of living crisis began. However, evidence from Good Food Oxfordshire suggests there has been a 25-30% increased usage of food services between August 2021 and November 2022, amounting to 100,000 - 125,000 more people across Oxfordshire accessing food services.

Vulnerable groups

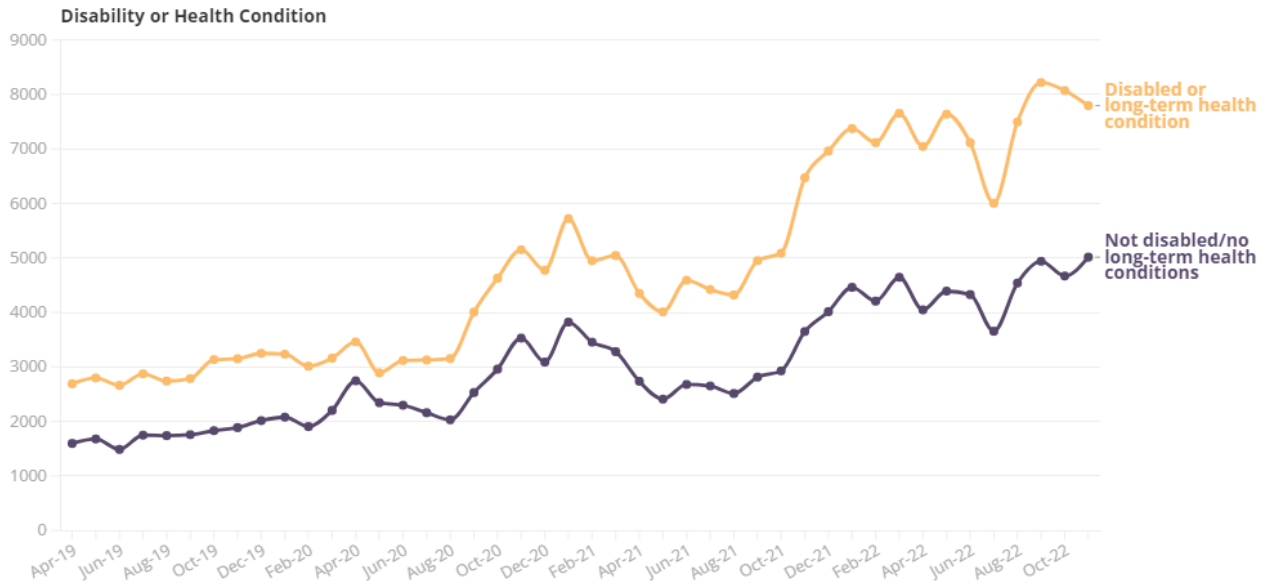
25. The data is clear: across society, those with disabilities and ethnic minorities are being harder hit than others. For example, the graph below shows the number of people with or without disabilities/long-term health condition whom Citizens Advice referred to foodbanks:

²² https://mycouncil.oxfordshire.gov.uk/documents/s59430/Item_10_Oxon_Food_Strategy.pdf, Adapted from Sheffield University Research into [UK local food insecurity of adults, January 2021](#) (Moretti, Whitworth and Blake, 2021)

Hungry: those who have been hungry at least once in the previous month but were unable to get food; **Struggle:** those who cut back on food, skipped meals, received support from their community with food essentials, couldn't get to shops/delivery, or were too ill to get food; **Worried:** those who worry about being able to adequately supply the food they need for themselves and their families.

The number of people we are referring to food banks by demographic group

Disability or Health Condition ▾



[You can access this visualisation directly here](#)

Note: Totals may vary across these charts as the same demographic information is not disclosed for all people we help. Data for England and Wales.

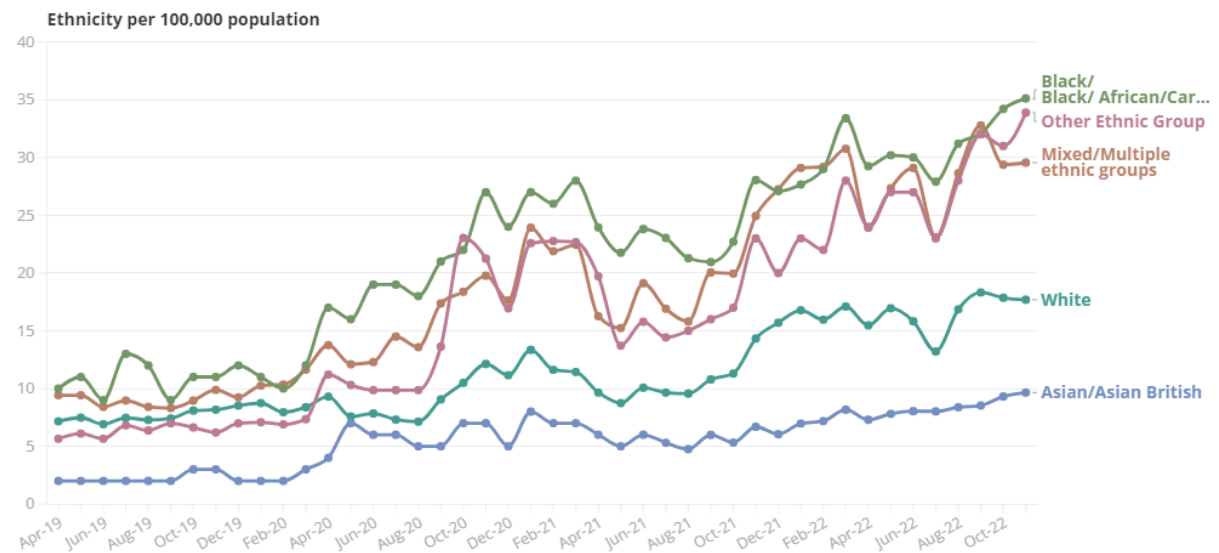


Source: [Branded Food Bank trends by Demographics | Flourish](#)

26. And the same, for different ethnicities:

The number of people we are referring to food banks by demographic group

Ethnicity per 100,000 population ▾



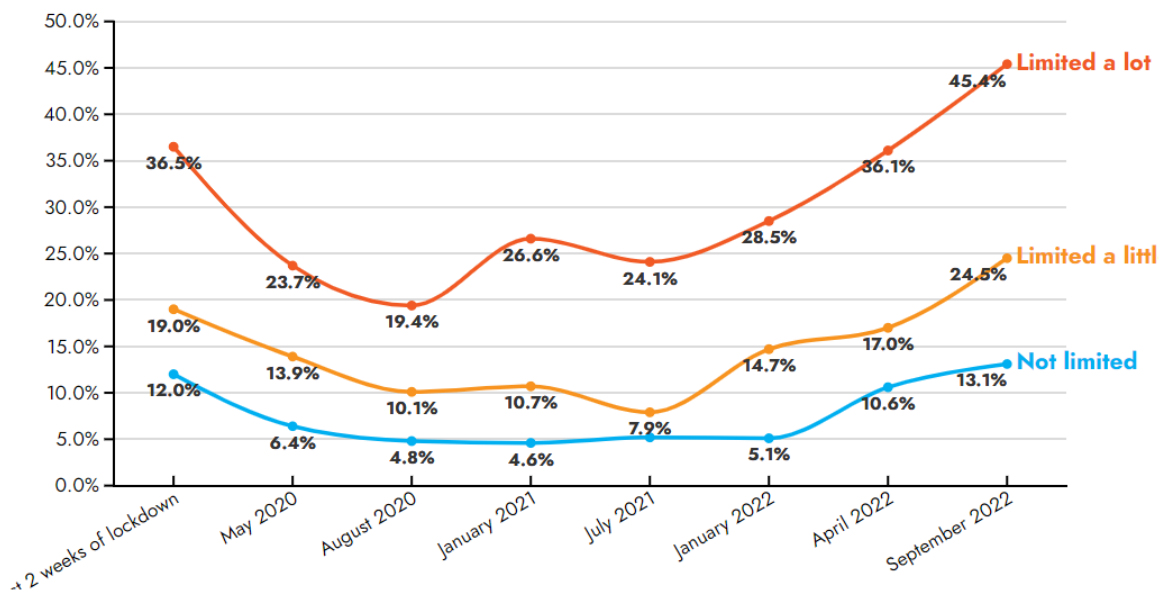
[You can access this visualisation directly here](#)

Note: Totals may vary across these charts as the same demographic information is not disclosed for all people we help. Data for England and Wales.



27. It is clear from these graphs that, with the exception of Asian citizens, those from ethnic minority backgrounds were more likely to be referred to food banks than white people. A similar trend can be seen regarding numbers accessing crisis support.
28. The Food Foundation had very similar findings, showing a wide—and ever-growing—food insecurity gap between people with disabilities and those without.

There has been a widening of inequalities experienced by people with disabilities
 Percentage of households experiencing food insecurity* according to level of disability:



* 1-month recall period



Source: <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking>

29. The ONS’s surveys reinforce this message: over half (55%) of disabled adults reported finding it difficult to afford their energy bills (vs 40% of non-disabled people). The disparity is similar among those finding it difficult to afford their rent or mortgage: 36% of disabled people, compared with 27% of non-disabled people.²³
30. The Sutton Trust have also reported significant knock on effects on children in schools. Following a survey of teachers, they found that 74% of all pupils were unable to concentrate or tired in lessons (72% in the South East). They also found that 35% came into school hungry (33% in SE), 50% came without adequate winter clothing (48%), and 25% could not afford equipment (23%). 62% of teachers said that the cost of living crisis would lead to an increase in

²³ [What have we learned about the experience of disabled people? | National Statistical \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/disabilityandlongtermhealth/bulletins/whathavewelearnedabouttheexperienceofdisabledpeople/2022-07-27)

attainment gap between students (19% said this would be small, 27% modest, and 16% substantial).²⁴

‘Crisis point’

31. The cost of living crisis is affecting almost every member of society across Oxfordshire, but it is particularly affecting the most vulnerable members of society. This is especially true of those lowest income families. Resolution Foundation, explain that “low-income families are far more likely to have no savings: in fact, the lowest tenth of families by income were four-times more likely to have no savings than families in the top income decile prior to the pandemic”.²⁵ Their greater exposure to the cost of living crisis is deepened by the fact that 32% of such families would need to rely on family and friends to cope with rising costs. The situation since Resolution Foundation published their report has, if anything, worsened: the ONS’ public opinions and social trends survey of Great Britain (08-20 November 2022) shows that 30% of all households, and 48% of the most deprived quintile, cannot afford to pay an unexpected but necessary expense of £850. Meanwhile, 46% of all households and 56% of the most deprived quintile will not be able to save money between November 2022 and November 2023.²⁶

32. Given that the cost of living crisis is affecting everyone, this means many households’ family and friends can no longer help them: “the cost of living crisis is worse for poorer households not just because they face higher inflation, not just because they have fewer savings to draw down on, but also because their mechanism for coping with a lack of savings is less available.”²⁷ In short, many households have reached a precarious position of financial fragility which leaves them just short of crisis point.

²⁴ [PowerPoint Presentation \(suttontrust.com\)](#)

²⁵ [Arrears fears • Resolution Foundation](#), p.8.

²⁶ [Public opinions and social trends, Great Britain: household finances - Office for National Statistics](#)

²⁷ [Arrears fears • Resolution Foundation](#), p.8.