



## CABINET – 13<sup>TH</sup> APRIL 2022

**SUBJECT: WELSH GOVERNMENT COST OF LIVING SUPPORT SCHEME**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

### 1. PURPOSE OF REPORT

- 1.1 To provide Cabinet with details of the Welsh Government Cost of Living Support Scheme and to present proposals for consideration in respect of the discretionary element of the Scheme.

### 2. SUMMARY

- 2.1 The Welsh Government (WG) has announced a package of measures to help people with support towards the cost of living. The package includes £152m to provide a £150 cost-of-living payment to eligible households (the Main Scheme) and £25m to provide discretionary support for other purposes related to living costs.
- 2.2 The Discretionary Scheme funding can be used by each local authority to support other households it considers to be in need of assistance with their living costs. Each local authority will determine its use of discretionary support as it deems appropriate to address local needs.
- 2.3 This report provides details of the Main Scheme and proposals for Cabinet consideration in respect of the Discretionary Scheme.

### 3. RECOMMENDATIONS

- 3.1 Cabinet is asked: -
  - 3.1.1 To note the details of the WG Cost of Living Support Scheme.
  - 3.1.2 To consider and approve the proposals in the report in respect of the discretionary element of the Scheme.

### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To provide details of the WG Cost of Living Support Scheme and to ensure that the funding for the discretionary element of the Scheme is targeted appropriately.

## 5. THE REPORT

5.1 The Cost of Living Support Scheme funding for Caerphilly CBC consists of 2 elements: -

Element	CCBC Funding (£)
Main Scheme	10,151,400
Discretionary Scheme	1,669,964
<b>TOTAL: -</b>	<b>11,821,364</b>

5.2 In addition to the above there is an administration grant of up to £338,380 which will be paid at the end of the Scheme.

5.3 A payment of £150 can be made to a household under the Main Scheme if the householder(s) meets one of the following conditions: -

**Council Tax Reduction Scheme Entitlement Condition** - If the householder(s) was in receipt of support through the Council Tax Reduction Scheme (CTRS) on 15<sup>th</sup> February 2022, they are automatically assessed as being entitled to a payment of £150 regardless of the valuation band in which their property is placed.

**Council Tax Band Condition** - Households occupying properties in Council Tax Bands A to D are assessed as being entitled to a payment of £150 provided they were: -

- Liable for Council Tax on a property on 15th February 2022;
- Not in receipt of an exemption for that property on 15th February 2022;
- Living in the property as their main or primary residence on 15th February 2022; and
- Responsible for paying the associated utility and other regularly incurred bills for the property on 15th February 2022.

5.4 Local authorities administering the Scheme will be able to make the reasonable assumption that household(s) liable to pay Council Tax are also responsible for paying the utility and other regularly incurred bills.

5.5 Households living in properties which attract a disability adaptation band reduction are eligible for a payment, for example, a property which has been valued as Band E, but which receives a disability adaptation band reduction to Band D is eligible.

5.6 Households are eligible for a payment if their property's band as recorded in the council tax banding list on 15<sup>th</sup> February 2022 is amended retrospectively after this date to fall within an eligible category, for example, because of a successful banding challenge made to the Valuation Office Agency (VOA) that concluded after this date. Households living in newbuilds awaiting a banding from the VOA are also eligible for a payment if the band subsequently allocated by the VOA, effective on 15th February 2022, meets the eligibility criteria for the Scheme. Any disputes about property banding should be resolved through the VOA's usual processes. However, for operational reasons, payments will no longer be made in these respects after the Scheme has closed on 30th September 2022.

5.7 Only one £150 payment is to be made in relation to any single dwelling under the Main Scheme. In cases of joint and several liability, only one payment is to be made and it should be paid to the first named person on the Council Tax bill. Where this is not possible, local authorities have discretion to identify the most appropriate person to whom the payment should be made.

The estimated number of eligible households for the Main Scheme in Caerphilly CBC are shown below: -

<b>Main Scheme</b>	<b>CCBC Households/ Payments</b>	<b>CCBC Value (£)</b>
£150 to all households in receipt of CTRS	16,330	2,449,500
£150 to all households not in receipt of CTRS in Bands A to D	51,346	7,701,900
<b>TOTAL: -</b>	<b>67,676</b>	<b>10,151,400</b>

5.8 As already mentioned, each local authority can use the funding provided under the Discretionary Scheme as it chooses to support households it considers to be in need of assistance with their living costs. This support may take the form of a payment to a household, or it may cover the cost of essential services provided to households to alleviate their living costs.

5.9 Cabinet is asked to consider the following proposals for utilising the Discretionary Scheme funding of £1,669,964 that has been allocated to Caerphilly CBC: -

<b>Proposal</b>	<b>Amount £</b>
Payment of £100 to all eligible households in Council Tax Bands E and F not in receipt of support through the CTRS. Based on data held on 15 <sup>th</sup> February this would cover 8,458 households.	845,800
Payment of £150 to occupied and some unoccupied households covered by a statutory council tax exemption. A payment will only be made for unoccupied households where the liable person is either in a long-stay hospital or a nursing/care home or is away receiving or providing personal care elsewhere. There are currently circa 770 cases that would be eligible for payment under this proposal.	115,500
Payment of £150 to around 330 households in Houses in Multiple Occupation (HMOs) or temporary accommodation/supported housing where they are either responsible for energy bills directly or pay a service charge for energy costs.	49,500
Purchase of fuel vouchers for pre-payment top up vouchers for residents in fuel poverty.	50,000
Creation of a crisis fund for residents who require financial support but do not meet eligibility criteria of existing schemes, for example, a resident leaving employment has to wait 5 weeks before a Universal Credit payment is made.	50,000
<p>Top up of the funding received from the Department for Work and Pensions for Discretionary Housing Payments (DHPs). DHPs help people who are struggling with housing costs and in some situations, payments can also be made to help with rent arrears and can be used to prevent people becoming homeless. The Local Authority decides how much and how often any DHP is paid, and it is a crucial tool.</p> <p>The proposed additional funding would allow Caerphilly CBC to widen its criteria to assist more tenants (private and social landlord) who are struggling with the ever-increasing cost of living crisis. Many of these tenants are seeking support for the first time. The proposed increase would allow us to: -</p> <ul style="list-style-type: none"> <li>• Provide longer awards to protect our tenants and offer stability.</li> <li>• Offer support to more residents by relaxing our criteria.</li> </ul>	397,839

<ul style="list-style-type: none"> <li>• Provide more assistance for claimants to move to cheaper or more appropriately sized accommodation.</li> <li>• Ensure the fund has budget to cope with the expected increase in claims due to the cost of living crisis.</li> </ul>	
Funding for Caerphilly Cares Community Engagement & Well-being Projects to help facilitate the engagement of communities as we emerge from the pandemic across the borough.	30,000
Additional fixed-term staffing capacity in the Caerphilly Cares Team for a period of 12 months. This would be 3 Grade 8 Regeneration Support Officers. We anticipate that our communities will suffer from economic, health and other social challenges as a result of the pandemic for years to come. To date, due to COVID-19, the focus for Caerphilly Cares has been on supporting the most vulnerable directly impacted by the pandemic. Now as we are moving out of the pandemic, the Team needs to further invest in its support to respond to the recovery and build on the work undertaken to date to support our communities to become more resilient. Demand is increasing and will continue to increase as the gap between the most deprived and the most affluent continues to widen. Caerphilly Cares caseloads are already extremely high, and the proposed additional fixed-term posts will provide the capacity required to respond to this increasing demand.	131,325
<b>TOTAL: -</b>	<b>1,669,964</b>

## Conclusion

- 5.10 The WG Cost of Living Support Scheme will provide £177m to households across Wales to help with the increasing cost of living that is being experienced by many families in Wales and across the UK.
- 5.11 The amount of funding allocated to Caerphilly CBC is £11.8m which will provide support to households at a time when it is most needed.

## 6. ASSUMPTIONS

- 6.1 There are no assumptions within this report.

## 7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An Integrated Impact Assessment has not been completed because the Cost of Living Support Scheme is being administered on behalf of the Welsh Government.
- 7.2 The funding provided under the Scheme will impact positively on household budgets at a time when it is most needed.

## 8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

## 9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

## **10. CONSULTATIONS**

10.1 All consultation responses are reflected in the report.

## **11. STATUTORY POWER**

11.1 Section 31 of the Local Government Finance Act 2003.

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