

## **Cabinet**

**30 July 2024**

### **Cost of Living Crisis Response Plan 2024-2025**

Portfolio Holder: Councillor Vince Maple, Leader of the Council

Report from: Phil Watts, Chief Operating Officer  
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#### **Summary**

Medway Council approved its Cost of Living Crisis Response Plan 2023-2024 in July 2023. This report presents a refreshed Cost of Living Crisis Response Plan for 2024-2025, summarising the activity delivered to date along with plans for the coming year.

#### **1. Recommendations**

- 1.1. The Cabinet is asked to approve the refreshed Cost of Living Crisis Response Plan 2024-25 for Medway, as set out in Appendix 1.
- 1.2. The Cabinet is asked to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council, to continue the use of the ReferKent platform for Medway subject to the availability of a suitable budget as set out in section 5.6 of this report.

#### **2. Suggested reasons for decision**

- 2.1. Approving a refreshed Cost of Living Crisis Response Plan 2024-2025 for Medway will continue to help ensure residents are aware of, and encouraged to, access all support and services available to help mitigate the cost of living crisis.

#### **3. Budget and policy framework**

- 3.1. The Cost of Living Crisis Response Plan 2024-25 seeks to set out a cohesive programme of activities and services across the Council, all of which can be delivered within the existing 2024-25 budget as approved by the Council in February 2024. The decision to approve the Cost of Living Crisis Response Plan 2024-2025 and new developments outlined are matters for the Cabinet.

## 4. Background

- 4.1. The Institute for Government defines the cost-of-living crisis as referring to “the fall in ‘real’ disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021...Despite extensive government support, household incomes are not keeping up with living costs and are not expected to return to 2021 levels in real terms until 2027.”
- 4.2. Shortly after the local elections in May 2023, alongside all other newly elected Labour Council Leaders, the Leader of Medway Council pledged to deliver an emergency cost of living action plan within 100 days of taking control. Medway’s response plan was agreed by the Cabinet on 11 July 2023.

## 5. Cost of Living Crisis Response Plan 2024-2025

- 5.1. The Plan has been refreshed, highlighting the positive actions and achievements of the 2023-2024, the work that continues and Medway’s plans for the future.
- 5.2. The Cost of Living Crisis Response Plan 2024-2025 for Medway is provided at Appendix 1 to this report. The Plan articulates the services and activities in place to help mitigate some of the impact of the cost of living crisis on Medway’s residents across the following four themes:
  - responding to urgent need in Medway,
  - minimising cost and financial support,
  - maximising incomes and supporting health and wellbeing, and
  - building financial resilience and managing debt.This document will form the basis of a renewed publicity effort to ensure Medway’s residents are aware of all the support available; it will be available on the Council’s website, in leaflet form at Council sites and will be shared with partner organisations to maximise awareness and uptake of Medway’s offer.
- 5.3. In agreeing the plan for 2023-2024, the Cabinet agreed to the introduction of two enhancements to enhance the Council’s ability to support vulnerable people in Medway.
- 5.4. The Low Income Family Tracker (LIFT) was procured (funded for 2023-24 at a cost of £40,000 from the Household Support Fund) is a tool that can identify and encourage applications from households who may be eligible but are not in receipt of existing packages of support at both central and local government level, primarily Pension Credit but also Council Tax Reduction, Free School Meals, Healthy Start and Social Tariffs. The system has been used to identify vulnerable pensioners to disburse nearly £500,000 of the Household Support Fund to 1,832 pensioners to help with food and fuel costs during the winter. The system is also being used by Housing Services to identify HRA tenants who may require support and those at risk of homelessness. We anticipate using it to deliver take up campaigns in the coming months. The cost has

been built into the Council's base budget for 2024-25 and the system will be reprocured to support its use in the coming year.

- 5.5. ReferKent is an online referral system that allows simple, safe, and easy referrals to be made to a network of organisations. The ReferKent system was initiated by Kent County Council at the beginning of the pandemic, and there are currently 83 organisations on board including national organisations such as Breakeven (gambling support), Vulnerability Registration Service (VRS) and Stop Loan Sharks. Medway was able to join ReferKent in 2023/24 at no cost and since joining ReferKent, Medway's Financial Welfare team are working with partner organisations to encourage sign up to the system and building of the network within Medway. This will enable Medway Council and partner organisations to safely and securely refer residents between organisations for specific assistance. The system offers assurances to those referring that the resident has engaged with the organisation referred to.
- 5.6. ReferKent is currently being re-procured by Kent County Council and we have been asked if Medway would like to continue to use the scheme. At this stage the cost is not known, however we do not expect this to be significant. The Cabinet are asked to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council, to explore Medway continuing this scheme subject to the availability of a suitable budget. For 2024-25 this could be funded from the Household Support Fund, under delegation given to the Chief Operating Officer under Cabinet decision 59/2024, which stated:

*59/2024: "The Cabinet agreed to delegate authority to the Chief Operating Officer, in consultation with the Leader of the Council and the Portfolio Holder for Business Management, to make minor amendments to the proposals to enable them to continue to support vulnerable households in Medway, including amending any discretionary eligibility criteria where discussions remained ongoing and where further Government advice was provided."*

## 6. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Residents are not aware of or not accessing support available	The Cost-of-Living Crisis Response Plan 2024-2025 sets out a wide range of support and services, however residents may miss out if they are not aware or able to access.	The Cost-of-Living Crisis Response Plan 2024-2025 is itself a tool to publicise and support residents to access support. A refreshed communications campaign will be launched to raise awareness of support available with communications through a range of channels to target	B3

Risk	Description	Action to avoid or mitigate risk	Risk rating
		audiences.	
Demand for support exceeds funds/capacity available	<p>The economic factors driving the cost-of-living crisis (inflation, energy costs and interest rates) are impacting the Council's own budgets adding pressure to service budgets.</p> <p>Increased uptake could result in pressure on budgets/grant available to provide support.</p>	Robust budget monitoring processes and close monitoring of expenditure against specific grants.	B2
<b>Likelihood</b>		<b>Impact:</b>	
A Very likely B Likely C Unlikely D Rare		I Catastrophic II Major III Moderate IV Minor	

## 7. Climate change implications

7.1. There are no direct climate change implications to the Cost of Living Crisis Response Plan 2024-2025.

## 8. Financial implications

8.1 The activity and services set out in the Cost of Living Crisis Response Plan 2024-2025 are within the existing revenue budgets for 2024/25 approved by Full Council in February 2024. The cost of the Low Income Family Tracker (LIFT) of £40,000 is incorporated in the budget for Finance. At this stage, the cost of ReferKent is unknown, however could be funded from the Household Support Fund under delegation given to the Leader and the Chief Operating Officer under decision 59/2024.

## 9. Legal implications

9.1 There are no direct legal implications to this report.

## Lead officer contact

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## Appendices

Appendix 1 – Cost of Living Response Plan 2024-2025 (to follow)

Background papers

None