



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

6TH SEPTEMBER 2022

LOCAL COST OF LIVING SUPPORT – SUPPLEMENTARY (DISCRETIONARY) SCHEME

REPORT OF DIRECTOR OF FINANCE AND DIGITAL SERVICES IN DISCUSSION WITH THE LEADER OF THE COUNCIL (CLLR A MORGAN)

Author(s): MR BARRIE DAVIES

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide details of a local Supplementary (Discretionary) Cost of Living Support Scheme.

2. RECOMMENDATIONS

- 2.1 It is recommended to:

- a) Note and agree the detail of the proposed Local Cost of Living Support - Supplementary (Discretionary) Scheme;
- b) Note and agree the implementation arrangements and delegation to the Director of Finance and Digital Services as detailed at section 10.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To provide details of the proposed scheme as set out.

4. BACKGROUND

- 4.1 The Welsh Government (WG) have previously announced a package of measures to help people with support towards the cost of living. The package included £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.
- 4.2 This Council determined its scheme and implementation arrangements on the 24th March 2022 and has subsequently made over 117,000 payments totalling £15.271M.

- 4.3 To further support residents of Rhondda Cynon Taf with the ongoing and escalating cost of living crisis, this report sets out a follow up supplementary (discretionary) scheme of support.
- 4.4 This is in addition to WG's Fuel Support Scheme which is due to be delivered by the Council during Autumn 2022.

5. **LOCAL COST OF LIVING SUPPORT – SUPPLEMENTARY (DISCRETIONARY) SCHEME**

5.1 The proposed local supplementary scheme is set out below.

a. Payment to Families with one Child or more of Compulsory School Age

- A payment of £75 will be available / made to families with one or more child(ren) of compulsory school age. It will be one payment per family, not per child.
- Families of electively home educated child(ren) will be eligible, as will families of child(ren) that attend a school outside of Rhondda Cynon Taf but reside within the County Borough.
- It is estimated that 22,000 families will be entitled to this £75 payment.
- The cost to the Council of this element of the local scheme amounts to **£1.650M**.

b. Support to Food Banks

- It is proposed that **£50k** is provided to support food banks and food support grants. This supplements the support which was provided in the initial discretionary scheme.

c. Support to Lower Paid Council Staff

- Council staff continue to provide valued public services. Our lowest paid employees however, are more likely to be suffering from the intense cost of living crisis.
- In recognition of this it is proposed that all employees who are remunerated at Grades 1 to 6 are paid a one-off support payment supplement to their salary.
- In scope roles would include litter pickers, refuse loaders, home care and social care workers, cooks, cleaners, school crossing patrols etc.
- This would equate to £125 per employee and would be made to 5,800 employees.
- The cost to the Council of this payment would amount to **£0.940M** (including on-costs).

d. Local Cost of Living Hardship Fund

- It is proposed that resources be set aside to create a Local Cost of Living Hardship Fund for those residents who demonstrate extreme financial hardship as a direct consequence of the cost of living crisis.

- Officers are requested to develop appropriate criteria for the Fund which will be discretionary in nature. Details of the criteria will be published on the Council's website.
- It is proposed that **£0.250M** be allocated into this Fund.

6. INDICATIVE SCHEME DELIVERY AND IMPLEMENTATION ARRANGEMENTS

6.1 The Local Cost of Living Support – Supplementary (Discretionary) Scheme will be operationally delivered during the period October to December 2022.

Payment to Families with one Child or more of Compulsory School Age

- Compulsory School Age will be determined as at the start of the school term beginning September 2022;
- A child begins to be of compulsory school age the term following their fifth birthday;
- In line with this, if a family has one or more children born between 1st September 2006 (i.e. age 16 as at 31st August 2023) and 31st August 2017 (i.e. age 5 as at 31st August 2022) and reside in Rhondda Cynon Taf, then they will be eligible for a Family Payment;
- The payment will not impact upon any benefits (e.g. Universal Credit);
- If a family has previously received a £50 family payment and continue to have a child(ren) of compulsory school age, then they will be automatically paid £75; and
- Families who have become eligible by virtue of having a child of compulsory school age from September 2022 will receive a letter with details of how to apply.

Payment to lower paid Council Employees

- A payment of £125 will be made at the October payroll;
- It includes all Council staff on Grades 1 to 6 who are due to receive a payment in October 2022; and
- The payment will be classed as earnings and accordingly will be subject to tax, National Insurance and pension deductions.

Local Cost of Living Hardship Fund

- It is anticipated that this fund will be available from October 2022.

6.2 Full details of the scheme and its implementation arrangements, including when payments are to be made will be available on the Council's website.

7. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO ECONOMIC DUTY

7.1 Due regard has been given to the Council's public sector equality duties under the Equality Act 2010, namely the Public Sector Equality Duty and Socio-Economic Duty.

8. WELSH LANGUAGE IMPLICATIONS

- 8.1 There are no Welsh language implications as a result of the recommendations in this report.

9. CONSULTATION / INVOLVEMENT

- 9.1 There are no consultation requirements as a result of the recommendations in this report.

10. FINANCIAL IMPLICATION(S)

- 10.1 The overall cost of the local supplementary scheme is £2.890M.
- 10.2 A balance of £0.9M of the Council's allocation from the WG main and discretionary scheme is available to be redirected to this supplementary scheme. This will be supplemented by £1.990M of one-off Council resources which have already been identified and set aside.
- 10.3 The detail of the scheme including eligibility, assessment and its administration is delegated to the Director of Finance and Digital Services in line with the Council's Constitution.

11. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 11.1 The Director of Finance and Digital Services will administer the scheme and make the necessary determinations in accordance with the Council's 'officer scheme of delegation'.

12. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 12.1 The proposals are aligned to the Council's Corporate Plan "Making a Difference" 2020-2024, in particular the priority 'Prosperity – Creating the opportunity for people and businesses to: be innovative; be entrepreneurial; and fulfil their potential and prosper' and also the Wellbeing of Future Generations (Wales) Act 2015 well-being goal of "A more prosperous Wales".

13. CONCLUSION

- 13.1 This further support package will provide financial support to residents across Rhondda Cynon Taf. It will also provide a one-off supplementary payment to the lowest paid employees of the Council and provide further financial support to our foodbanks that continue to provide invaluable help to residents.