

Policy Committee Decision Report

Title of Report:	Cost of Living Support - Response to Council Motions
Date of Decision:	11 th December 2024
Report To:	Strategy and Resources Committee
Report Of:	Ajman Ali, Director of Neighbourhood Services.
Report Author:	Keith Leyland Head of Service Communities Head of Service Cost of Living

Executive Summary:

On 4th September 2024 Council resolved to:

- request the Strategy and Resources Policy Committee to consider building on the success of the South LAC Cost of Living In-Person Support pilot scheme by requesting officers bring a proposal to the Committee on introducing a similar scheme that covers the whole of Sheffield;
- also request the Strategy and Resources Policy Committee to consider commissioning other relevant services to urgently commence an awareness campaign to maximise uptake of Pension Credits;

This report provides a response to the above Council resolutions.

Further to the above, on 6th November 2024, Council received a petition Requesting the Council to Restore the Winter Fuel Allowance. The petition was referred to the Strategy and Resources Committee meeting on 11th December 2024. This report therefore seeks to address the concerns raised in that petition alongside the response to the Council resolution above.



Council Plan outcomes:

[A place where all children belong and all young people can build a successful future](#)

[Great neighbourhoods that people are happy to call home](#)

[People live in caring, engaged communities that value diversity and support wellbeing](#)

[A creative and prosperous city full of culture, learning, and innovation](#)

[A city on the move – growing, connected and sustainable](#)

Policy Committee remit:

*This report is to be considered by the **Strategy and Resources Policy Committee**, as its remit includes:*

- ***“Providing overall strategic direction to the Council’s work to address poverty and inequality, including cost of living initiatives, financial resilience, and community support structures”***
(Part 3C - 3.3 Matters Delegated to Committees May 2024.pdf)

Does the report contain confidential or exempt information? [Yes/No]

No

Recommendations:

The Strategy and Resources Policy Committee is asked to:

1. Note the work undertaken to increase Pension Credits and to promote overall uptake of unclaimed benefits, since the Council resolution of 4th September 2024 and the petition to Council from the 6th of November 2024.
2. Endorse the proposal to increase targeted support for benefits uptake, building on the learning from the South LAC Pilot, and to continue this work across the City as part of the Cost-of-Living Partnership, for 12 months.
3. Agree to evaluate the current Cost of Living Hub model, in partnership with the Voluntary, Community, Faith and Social Enterprise Sector, to enhance our alignment with Future Sheffield, our Target Operating Model and Customer Experience/Communities Strategies.
4. Agree that a report outlining the future approach to Cost of Living Support be presented to Strategy and Resources Committee in the autumn of 2025.

Financial Implications: Yes Approved by: Holly Nicholl

Legal Implications: No Approved by: Nadine Wynter

Equality and Engagement Implications: [Yes [Approved by: Adele Robinson]

EIA ID: 2909

Climate Change Implications: No

Background Papers:

[\(Public Pack\)Resolutions Passed At The Meeting Of The Council Held On 4th September 2024 Agenda Supplement for Council, 04/09/2024 14:00](#)

[Cost of Living Funding Update 2023](#)

Appendices:

A Auto Award Free School Meals Update

1. Background to the issue

1.1 The multi-agency Cost of Living response in Sheffield has been ongoing since 2022, with additional specific actions for winter, including encouraging Pension Credit take-up and considering hardship and emergency food provision over the holiday period. This work is funded via the Household Support Fund, a grant from Central Government.

1.2 The cost of living increased significantly in 2021 and 2022, reaching a 41-year high. However, even though inflation has reduced, prices still remain high. Consumer prices increased by 20.8% in total between May 2021 and May 2024. Demand for the Household Support Fund exceeded 5,000 applications for hardship support in November 2024 the highest amount since the scheme began. The majority of these applications were from families with children and the highest area of need was food support. Despite rising demand (an average of 4000+ applications and 2000 calls per month) the service has call waiting times of under 2 mins 30 seconds and 90% of calls are answered. The service has delivered this through innovation such as using chat functions, trusted assessors, increased automation and a dynamic resourcing model.

1.3 The Household Support Fund has recently been extended for the whole financial year 2025/26. Recent guidance within the Household Support Fund asks Local Authorities to consider longer term preventative action to prevent Poverty such as Income Maximisation through the promotion of the uptake of eligible benefits. A longer-term model to enable the Council to deliver this work is therefore likely to be required in future years.

1.4 Unclaimed support is exacerbating poverty and acting as a determinant of poor health and low economic growth. Nationally, £22.7 billion of support is unclaimed; locally this is estimated by Policy in Practice, a social policy and analytics company, to equate to £230 million in Sheffield. These are structural inequalities that we can address locally building on what we have achieved so far in the Cost-of-Living Response through a partnership approach utilising our trusted assessors, Welcome Places, Voluntary, Community, Faith and Social Enterprise (VCFSE) and leveraging our own data and systems access to better enable partners in the VCFSE and internally within the Council to proactively put more money in people's pockets.

1.3 Sheffield Council have delivered significant work on Income Maximisation including auto-enrolment for Free School Meals in Children and Families (see Appendix A), a Social Tariffs reduced water rates pilot in Council Housing, and Frontline Services that support people with income maximisation. More latterly the Council delivered a Pilot in the South Local Area Committee (LAC) area which is described below. Voluntary, Community, Faith and Social Enterprise (VCFSE) sector partners, particularly Citizens Advice Sheffield

(CAS) also deliver tremendous work in this area, such as but not inclusive of specialist debt support and the provision of advice and guidance.

1.5 On 4th September 2024 Council resolved to:

- request the Strategy and Resources Policy Committee to consider building on the success of the South LAC Cost of Living In-Person Support pilot scheme by requesting officers bring a proposal to the Committee on introducing a similar scheme that covers the whole of Sheffield;
- also request the Strategy and Resources Policy Committee to consider commissioning other relevant services to urgently commence an awareness campaign to maximise uptake of Pension Credits;

On 6th November 2024, Council received a petition Requesting the Council to Restore the Winter Fuel Allowance. The petition was referred to the Strategy and Resources Committee meeting on 11th December 2024.

The following sections describe the response to the above and proposals for cost-of-living support into the future.

2. Urgent work to increase uptake of Pension Credits

2.1 In late August 2024 the Council received a letter from the Ministry of Housing Communities and Local Government (MHCLG) in response to the removal of the universal winter fuel payment asking Sheffield City Council to support the uptake of Pension Credit with partners within the City.

2.2 Since then, the Council has worked in partnership with Citizens Advice Sheffield to develop a joint campaign to increase take-up of Pension Credit. This campaign reached around 7,250 low-income households directly through a letter and many more through other communications channels. The Council and partners provided information around eligibility, how to apply and where to seek support. This has been supported by a communications campaign internally with other front facing services, on social media and in the form of leaflets and posters in community venues such as GP surgeries, Welcome Places, Council in person access points and other community venues. The Council and partners have also offered other additional support to such as:

- Information on Cold Weather Payments – For those in receipt of certain benefits and if the temperature drops to zero degrees Celsius or below for 7 days in a row - www.gov.uk/cold-weather-payment
- Information on the Warm Home Discount - this is a £150 discount on bills for those who receive Pension Credit or live in a low-income household – www.gov.uk/the-warm-home-discount-scheme
- Help from the Household Support Fund - www.sheffield.gov.uk/cost-of-living/apply-household-support-fund

2.3 Contact to the Community Helpline increased by 50% in the first week of the comms campaign, and gradually returned to normal levels. The Council

has received approximately 25% more contact since the start of the campaign, having spoken to around 300 pension aged households.

2.4 The Council has supported 79 residents with eligibility assessments, of which 22 residents were assessed as likely to be eligible. Average gains in income for pension credits and winter fuel payments for those assessed as eligible so far would provide an estimated £81,175 of additional income per year in total. The Council also work in partnership with Age UK to encourage the uptake of other locally administered schemes, such as the Household Support Fund, amongst Pensioners.

2.5 The true impact of the campaign is not yet fully understood, but initial information from the Department for Work and Pensions (DWP) suggests that there has been an increase in applications. Full data about Pension Credit awards and applications since April 2024 will ultimately be released by DWP but was not available in time for the publication of this report.

The full extent of the campaign will be known in January 2025 once we have undertaken further evaluation after the deadline of the 21st of December 2024.

3.The Approach to 2025/26, building on the South LAC Pilot

3.1 In 2024/25 £400,000 of additional budget was allocated pro-rata to each LAC for additional Cost of Living support work. The South LAC decided to use their additional funding (around £40,000) to pilot face to face intervention focusing on increasing the amount of money in people's pockets.

3.2 This pilot has resulted in an additional £171,905 of income in the local area. The approach was delivered through a partnership between the South LAC and VCFSE host organisations, to set up 8 support and advice sessions in the area, with communications and promotion to those areas of need that had existing capacity. In one case a pensioner over the course of 4 appointments was able to claim over £24,000 in additional income that he was entitled to.

3.3 Given the Council resolution, over the next 12 months the Council proposes to build on the South LAC Pilot work, and the learning from it, to deliver the following:

- Proactively identify and contact residents in need across the city, using data analytics, and engage with them about the support they are missing out on.
- Increase resources for Financial Navigators and target it to greatest need based on data around benefits take-up. These roles will focus on locally administered benefits and auto enrolment opportunities.
- Change the approach within the Community Support Helpline to enable the Council's Financial Navigators to work in a more targeted and proactive data

led way in our communities to better enable and support residents and partners.

- Explore auto enrolment for social tariffs (water, broadband) and council tax reduction.
- Address fragmentation in support in this area by co-ordinating campaigns externally and across the Council and partners, providing training to internal frontline teams, to reduce information poverty and maintain the knowledge base within the Council.
- Use the above to inform a review of Cost of Living support in the city to determine the future model for provision.

4. The Future of Cost of Living Support

The Cost-of Living Response Hub (formerly the COVID Hub) has been in place for four years. Over that period the service has developed organically and has responded to the needs of our communities in challenging times. It has been wholly grant funded by central government through the Household Support Fund and has operated as a stand-alone service within the Council.

It is clear that, whilst the service has (and continues to) deliver significant benefits to people in the city, there are opportunities to maximise the impact of our cost of living approaches through more integration with other Council services, but also through better integration with VCFSE sector organisations.

Over the next 12 months the Council will seek to align this work with our Future Sheffield Transformation Programme in terms of long-term approaches to support our Customer Experience and Communities Strategies and to develop a longer-term more sustainable approach to cost of living support.

Given that the Council proposes to:

- a) independently evaluate the project within the Household Support Fund and track outcomes across health, homelessness, education and social care to support recommendations for the future delivery of such interventions across the City.
- b) Work with our VCFSE partners to develop an approach that best utilises our collective strengths and assets to deliver for the people of Sheffield collectively.

A report with the findings of this review and proposals for the future model for cost of living support will be presented to Strategy and Resources Committee in the autumn of 2025.

3. How does this decision contribute to the Council Plan?

3.1 Council Plan outcome

3.2 The work set out above intrinsically links to the Councils Plan and Wider Priorities in the City.

3.3 Enable everyone to feel valued and supported, tackling inequalities and celebrating the diversity of all our communities.

3.4 We will support more Sheffielders to live happy, healthy and fulfilling lives whoever they are, wherever they live and whatever their background, working with partners to tackle poverty, prevent homelessness, and respond to the cost-of-living crisis.

3.2 People – Prosperity - Planet

3.3 **People** – this work ultimately sits under the new Communities Strategy which will have people at its heart. It will take as its starting point the Council Plan ambition in this, connecting more people into the city’s success and creating opportunities for everyone.

3.3.2 **Prosperity** – We will only have a prosperous city if all of our communities are enabled to thrive and contribute to the growth of Sheffield. As such, reducing poverty by the interventions described above will have a direct impact on achieving prosperity as a city. As the Council Plan says: “The more our people succeed, the more our whole city will succeed”.

3.3.3 **Planet** – Similarly, having an effective and integrated Communities Strategy will support and enable the work that we need to do to achieve net zero, and to create a sustainable city for future generations. The Council Plan is clear that creating a sustainable future can only happen with the support and active involvement of our communities. As such, the Communities Strategy will play a key part in helping us to achieve our wider ambitions for the environment.

3.4 City Goals

This proposal aligns with the following five City Goals:

Goal 8: We all have a say over what happens in our neighbourhoods, and shape our city around fairness, equity, wellbeing and combating poverty

Goal 14: We are honest with each other about the challenges we face in our communities, and are brave enough to find common ground, heal divides and try new things out together.



4. What community or partner engagement has been undertaken and how has it informed the proposal?

4.1 There has not been any dedicated engagement on these specific proposals. However, the Council have drawn on insight from our Citywide Cost of Living Response over the past 2 years which has been in partnership with the VCFSE, Local Area Committees, Businesses and the Sheffield Poverty Truth Commission whilst in its infancy has also fed into some of this work. The Council have contributed to the upcoming Director of Public Health Annual Report for 2024 which is on Poverty which is still in flight and has sort the voice of those with lived experience of poverty through our Changing Futures Programme.

5. What alternative options did we consider?

5.1 Alternative Option 1:

Commission other services to carry out the Pension Credit Campaign and Income maximisation proposal.

Rejected due to lack of any identified budget for any additional activities and the need to mobilise quickly. The Pension Credit Awareness campaign came with little notice from the MHCLG, and no funding was given to Local Authorities to carry it out. It specifically asked the Council to co-ordinate activity. We may be able to consider this as a future option if funding is identified with learning and recommendations from our proposed activity over the next 12 months.

5.2 Alternative Option 2:

Continue as is. This was rejected as the Cost-of-Living Strategic Group was stood down during the summer and it requested work to be taken place to look at longer term structural inequalities that aligned with the Councils Priorities.

This option risks further normalising emergency relief and further embedding the wrong solution opposed to more upstream preventative service delivery.

6. How has equality, diversity and inclusion been actively considered?

6.1 The aim of the proposal is to address inequality of income, by delivering income maximisation support alongside the crisis support delivered through the Household Support Fund, to support vulnerable people who are experiencing hardship. We want to ensure that those most in need are



provided with support when in crisis, but are also supported through early intervention and prevention, by targeting households using community networks, data and hybrid communication structures. The distribution of support will help to alleviate the impact of poverty and the cost-of-living crisis for those who are affected by inequalities.

6.2 This EIA has been completed in considering the Cost-of-living cohort analysis which looked at which groups and communities are disproportionately impacted by the cost-of-living crisis, where support is already being received and which groups are not receiving enough support. It has also taken account of local and national research and policy implications to inform the direction of travel for delivering hardship support in a way that reflects the national agenda and opportunities for maximising income.

6.3 We have recently reviewed our EIA to ensure that those with care experience have been properly considered.

7. Financial and Commercial Implications

The proposal to continue activities within the Cost-of-Living Hub will be managed within existing funding arrangements, including remaining allocation from the Public Health Reserve and continuing Household Support Fund grant allocation from the DWP.

8. Legal Implications

There are no direct legal implications arising from this report. Any legal implications identified as delivery progresses will be considered when it is brought back to the Committee for further decision. Any consultation and implementation of changes to service delivery will be undertaken in adherence to existing employment legislation and Sheffield City Council's HR policies and practices.

9. Climate and Environmental Implications

There are no direct climate or environmental implications arising from this report.

10. Other implications

N/A

11. Reasons for decision

11.1 The recommendations made provide direct responses to the Council Motions on the Cost-of-Living from the Full Council Meeting on September the 4th.

Appendix A

Free School Meals Update

FSM Auto Award Process 2024 – Increasing FSM Eligibility and Maximising Pupil Premium Funding for Schools

This is an update on our highly successful and nationally recognised FSM auto award process, and highlight the positive impact of our work upon the lives of children and young people from disadvantaged backgrounds in Sheffield, and across Local Authorities nationally.

What is the Auto Award Process? (otherwise known as Auto Enrolment)

Since the implementation of Universal Infant Free School Meals (UIFSM) in 2014, many schools suffered a financial loss in terms of Pupil Premium funding as parents did not feel the need to apply for a free meal based on their household income when one was already provided.

Since 2015-16 we have worked collaboratively with other Sheffield City Council services to increase eligibility to free school meals and maximise Pupil Premium funding for academies and maintained schools. We have introduced an Automatic Award process use Housing Benefit and Council Tax Support information to check free school meal eligibility. This had a significant impact on pupil premium funding for schools.

How does it work?

Essentially, we use information already held by the council to identify families that are missing out on a Free School Meal.

- We use data from Revenues & Benefits to identify families that have claimed Housing Benefit (HB) and/or Council Tax Support (CTS) but have not applied for free school meals
- We write to parents with children aged 2-19 on matching housing/council tax support benefits with similar eligibility criteria to FSM to advise that in order to ensure they are claiming everything they are entitled to; we will use their name, DOB and NI number from their Housing Benefit/Council Tax Support application to check their eligibility for free school meals.
- We give them 3 weeks to object to the use of their information, and after 3 weeks the data is processed, and successful applications are added for eligible children
- These children are immediately awarded transitionally protected FSM and Pupil Premium funding is generated for schools
- This is an annual process that takes place during August/September. Eligibility for the Pupil Premium is based on known eligibility for free school meals as recorded on the October School Census for pupils in years from Reception to Y11.

Impact

- **More children having access to healthy Free School Meals.** To date an additional 3,490 primary and secondary aged children have been awarded FSM, and 2,302 Early Years children identified as potentially eligible for FSM when they reach school age. Ensuring that the most disadvantaged children have access to at least one good meal a day while at school.
- **Maximum funding for schools** - the work to introduce Auto Award has resulted in significant additional Pupil Premium funding for schools. Between 2016-2024 an additional *£4.1m has been generated for schools to provide targeted support to improve the life chances of disadvantaged children and young people.
***In reality the total will be greater than £4.1m as this does not include the cumulative, year on year effect of Ever 6. It is estimated that the real total is around £16m.**

National Recognition for Sheffield's Auto Award Process

Sheffield is leading the way, supporting the roll out of auto enrolment across the country; we are working with the LGA, the Fix Our Food project (York University), The Food Foundation and The School Food Review Working Group, informing national advocacy and policy on FSM registration.

Over the last 18 months we have met with over 50 Local Authorities across the country from Durham to Portsmouth, Greater Manchester to the London Boroughs, and most recently Northern Ireland, providing advice, support and resources to help them introduce their own auto enrolment process.

Our process is referred to as the 'Sheffield Model' and is viewed as best practice.

As a result of this work:

9 Local Authorities have already introduced Auto-enrolment (October 23 Census)

66 Local Authorities were working towards implementation for October 2024 census

10 Local Authorities are exploring the possibility

There has been a significant increase in the number of children registered for FSM and Pupil Premium funding for schools across Sheffield, as well as the large number of LA's that we have supported nationally.

Further information:

[Free school meals trial feeds 20,000 more children - BBC News](#)

[Driving uptake of Free School Meals through opt-out automatic enrolment | Sustain \(sustainweb.org\)](#)

[Auto-enrolment letter from all \(foodfoundation.org.uk\)](#)



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