



Report to Policy Committee

Author/Lead Officer of Report:

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Report of: *Director of Policy and Democratic Engagement*

Report to: *Strategy and Resources Committee*

Date of Decision: *12th July 2023*

Subject: *Further enhancing support to Sheffield's communities through the Cost-of-Living Crisis*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? (2222)				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Purpose of Report:

This report provides an update on the cross-partner response to the Cost-of-Living Crisis. It summarises the support we have put in place to date and how we have implemented the action plan and recommendations agreed by this committee in previous reports in May and July 2022.

It makes recommendations relating to how we can learn from and build on the work already done to continue to support communities with the challenges ahead. Including plans to:

- Invest £400,000 across the LACs, ringfenced to address the cost-of-living crisis
- Build on our Welcome Places model to support communities across the city
- Arm frontline staff with the information they need to link communities with the right support when they need it
- Make it easier for the people who need it most to access £10.4 million Household Support Fund and other hardship support over the coming year
- Improve access to food using £150,000 of South Yorkshire Mayoral Combined Authority funding to support food banks -and community pantries in our neighbourhoods.

It outlines our approach to planning for the upcoming winter, data insights about the continuing impacts of Cost-of-Living crisis on our city and how this work can contribute to a long-term, strategic plan to prevent and reduce poverty and inequality in Sheffield.

Recommendations:

1. Note the approach and work undertaken to respond to the Cost-of-Living Crisis to date, in line with the strategy agreed by Strategy and Resources Committee at its meeting on 5 July 2022, and approve a continuation of the cross-partner incident response arrangement and governance structure.
2. Note the insights from our data dashboard and the latest available research, what it tells us about the impact of the Cost-of-Living Crisis across Sheffield and the likely impact over the year ahead.
3. Agree the approach to planning for the winter ahead, including plans to develop and sustain welcome places, learn lessons from the past year and build on the infrastructure we've put in place.
4. Agree that Strategy and Resources Committee will receive further updates on the response
5. Note that the funding for the Cost-of-Living Support Hub ends in March 2024 and endorse the proposed work to develop a long-term strategic approach to preventing and reducing poverty and inequality in Sheffield.

Background Papers:

Please find attached

- Updated Cost-of-Living action plan (Appendix A)
- PDF of our data dashboard which shows impacts of the Cost-of-Living Crisis on residents of Sheffield (Appendix B)

Lead Officer to complete:-	
1	<div style="display: flex;"> <div style="flex: 1;"> <p>I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</p> </div> <div style="flex: 1; border-left: 1px solid black; padding-left: 5px;"> <p>Finance: <i>Matthew Ardern, Senior Finance Manager</i></p> <hr/> <p>Legal: <i>Andrea Simpson, Corporate Governance Lawyer</i></p> <hr/> <p>Equalities & Consultation: <i>Ed Sexton, Senior Equalities and Engagement Officer</i></p> <hr/> <p>Climate: (N/A</p> </div> </div>

	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	SLB member who approved submission:	James Henderson, Director of Policy and Democratic Engagement
3	Committee Chair consulted:	Cllr Tom Hunt, Leader of the Council and Chair of Strategy and Resources Committee
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: James Henderson	Job Title: Director of Policy and Democratic Engagement
	Date: 30 June 2023	

1. PROPOSAL

1.1 Background

1.2 At its meeting on the 31st of May 2022, the Strategy and Resources Committee agreed to introduce citywide incident response-style arrangements to co-ordinate the city's response to the Cost-of-Living crisis. We established a command structure at a strategic, tactical, and operational level. The Strategic Group has a cross-party membership and has been chaired by the Leader of the Council, with active involvement from key partners in business, voluntary and health sectors.

1.3 The tactical and operational level groups also have a wide membership, including partners from the VCF sectors, health and emergency services and have provided valuable opportunity for collaboration and testing and improving different elements of support. This structure has provided effective visibility and oversight and the ability to rapidly response to emerging challenges.

1.4 As part of the Council's Strategic Framework 2023/24, Strategy and Resources Committee agreed on 31st May to "continue to co-ordinate our citywide response through the emergency response structures we established and ensure that this continues to provide updates and engage Strategy & Resources Committee"¹.

1.5 Cost-of-Living Response Aims and Objectives

As agreed by S&R Committee in July 2022, the overall aim of this response is to work with the people and communities of Sheffield through the Cost-of-Living Crisis to help mitigate the significant challenges they will be facing, with a particular focus on those who are struggling the most.

1.6 Objectives

1. Support people to make the best possible choices about how they use the income they have
2. Help people maximise their income further (including but not limited to benefits maximisation)
3. Provide a central place to gather information about the scale and nature of the crisis, especially how it is developing over time, in

¹ Sheffield City Council (2023) *Strategic Framework 2023/24*, ([Public Pack](#))Item 8 - [Strategic Framework 2023/24 Agenda Supplement for Strategy and Resources Policy Committee, 31/05/2023 14:00 \(sheffield.gov.uk\)](#)

order to prioritise actions and to amplify personal stories

4. Do what we can to ensure that emergency support is available when people are in financial crisis
5. Co-ordinate support for the people and communities that need it the most
6. Put people experiencing the cost-of-living crisis at the heart of Sheffield's approach to recovery and delivering clean, inclusive growth including supporting people to respond to rising fuel prices, while preparing the whole city for long-term trends

1.7 How have we been prioritising our effort?

To help us meet the objectives above, S&R Committee also agreed the following principles to help us focus our work most effectively:

- **Identify where we can pull levers in the city:** There are many wider forces which are beyond our control so we need to focus on what we *can* influence to support our communities
- **Scale of impact:** our approach has been scalable to respond to the different issues facing different communities. This includes reaching a large number of people in the city with key information (e.g. communications), or more intensive support for the people who are struggling the most or who are more vulnerable. This includes understanding and addressing the distinct impacts on different communities in our city
- **Prevention where possible, while responding to urgent crisis:** Identify smaller actions we can take together now to prevent more severe crisis later, while recognising that people are, and will be, in crisis and require emergency support too
- **Draw on people's strengths:** Prioritise actions that enable people to draw on their own strengths rather than treating them as a passive recipient of something that someone else has decided is best for them. Strive to be a gateway rather than gatekeeper to the support people are entitled to.
- **Evidence-based interventions:** Inform our actions using data and intelligence, recognising that sometimes our best knowledge, particularly in a fast-changing situation, is based on personal stories.

1.8 The support provided to date by our city-wide response

- 1.9 Through the work of the strategy and tactical partnership groups, we have sought to ensure that we focus our work on meeting the objectives above and doing so in line with our agreed principles. The response has been structured according to the following workstreams:

- Providing direct and indirect access to support (emergency and longer-term)
- Communications and information sharing
- Responding as landlord and creditor
- Responding as employers
- Support to and from businesses
- Data and intelligence
- Responding to what matters to specific groups
- Funding and infrastructure

1.10 The action plan in Appendix A sets out the actions within each workstream in further detail and how they deliver against the objectives. Key activity has included the following:

1.11 **Workstream: providing direct and indirect access to support**

1.12 **A warm welcome within communities.** Alongside our VCFS partners, we have created a network of 173 [Welcome Places](#). These have provided spaces for people to access help or just call in to get ‘warm’ have a cup of tea and a chat, in their local communities. Included in the Welcome Places are council-run libraries and Family Hubs, which provide early help, early years support and other ‘Start to Life’ services for families.

1.13 **Emergency hardship support when needed the most.** The Community Support Helpline has distributed £20m to support people in financial need through energy support schemes, Local Assistance Scheme and Household Support Fund (HSF). We offer benefit maximisation support to all applicants. We also have 40 Trusted Assessors for the HSF, who can help people in hardship access this support. Each organisation is based in the heart of our communities, and many are also Welcome Places.

1.14 **Increasing access to affordable food.** We have invested £200k in supporting food access in the city and implemented the Food Access Plan presented in the July 2022 report to this committee. This has included:

- a donation to South Yorkshire Community Foundation cost of living fund of £20,000,
- £50,000 food purchasing fund for distribution to Sheffield Food Banks, £40,000 for the provision of advice in reach to food banks
- £30,000 for the development of a comprehensive network of food support community food spaces across the city

- a £60,000 Food bank / food relief project development fund.

1.15 **Prioritising external funding to support communities through the cost-of-living crisis.** SCC have received an allocation of £2.6m from Shared Prosperity Fund (SPF) funding over three years to support work to tackle the cost-of-living crisis. This includes £850,000 funding for VCF organisations, managed by South Yorkshire Community Fund, who are distributing this via grants of up to £10k to support Welcome Places. In addition, £160k to Voluntary Action Sheffield to create a bid writer post to support all community organisations access funding opportunities and develop skills; £125k to Citizens Advice for a Volunteer Coordinator to train Welcome Places to access advice support; and £1.24m to establish Cost of Living Community Development Workers - 7 to be managed by SCC and 10 to be managed by VCFS, allocated by LAC areas.

1.16 **Workstream: Communications and information sharing**

1.17 **Helping people have the right information at the right time.** Communications and information to residents and frontline workers have been a key part of our response. We have jointly developed the “Neighbourgood” concept and products with partners, with 40,000 leaflets and 20,000 postcards distributed to frontline workers. Social media, email bulletins and media stories have been used to share information about what support is available. Alongside this, a frontline worker toolkit and training package has been developed to support workers across the city in getting advice to the people they’re working with daily. The Cost-of-Living Support Hub has also supported over 55 partner and community events across the city.

1.18 **Workstream: Support for businesses**

A suite of communications and resources has been developed to support high street businesses feeling the impact of the rising Cost-of-Living. This has been produced and delivered face to face on all high streets by the Business Information Officer Team and available online and promoted through the Business Sheffield mailshot.

1.19 **Workstreams: Responding as landlord and creditor; Responding as employers**

Working as a landlord we have supported tenants to access Housing Revenue Account hardship funds when falling into rent arrears and increasing the overall amount available for hardship payments from £150,000 to £450,000. We have responded as an employer by promoting information about support available on our intranet. In addition

to this, we have recently completed a procurement process for new employee financial advice and wellbeing products and low-cost financial products for employees, which will be available soon.

1.20 **Workstream: Responding to what matters to specific groups**

It has been recognised at the outset that different groups are disproportionately affected by the crisis. This has shaped the city response, with organisations that serve particular communities of interest being part of the strategic, tactical and operational response, and communications, engagement and hardship support being developed in ways that recognise the needs of different communities. This is reflected in other workstreams too.

1.21 **Workstream: Funding and Infrastructure**

We have established the Cost-of-Living Response Hub which is funded to the end of March 2024. This team was previously the Covid Response Hub and has been able to build on the learning and networks established during the pandemic. It sits in our Communities Directorate to work closely with Local Area Committee teams.

1.22 **This has been a whole-city response** with organisations, agencies, individuals and businesses working together to maximise their shared knowledge and resources.

- Sheffield Business Together, a business-led cross sector collaboration, has linked up businesses that want to be part of the cost-of-living response with charities and causes that need support, as well as providing details about the support they can provide to their employees.
- Sheffield Property Association held a cost-of-living event at Zest in association with Sheffield Business Together, Voluntary Action Sheffield and SCC to provide opportunities for their members to be part of the cost-of-living work.
- South Yorkshire Fire & Rescue and South Yorkshire Police have been key partners, using their links into communities to amplify the whole-city response.
- The Integrated Care Board has provided cost of living grants to 27 voluntary sector organisations that are supporting residents through the crisis.
- Citizens Advice Sheffield are developing a community training programme to help upskill volunteers and front-line staff in Welcome Places and other projects and have secured additional funding to provide more energy advice in the city.

- Our city response has been shaped together by partners through regular meetings throughout the year, working at strategic, tactical and operational levels. This has gathered intelligence on the emerging situation and identified opportunities to share resources and expertise.

1.23 **Workstream: Data and intelligence**

A local data and intelligence dashboard has been created to provide an evidence base for our cost-of-living response. Further details are below.

1.24 **Our data and research tell us the cost-of-living crisis is not going away.**

1.25 The cost-of-living crisis is expected to continue over the next year, putting pressure on communities and organisations already strained by austerity and the pandemic. This includes:

- Wages and benefits are not keeping track with inflation and the rising costs of energy and food bills. The National Institute of Economic and Social Research warned in February 2023 that that the UK is suffering a ‘permanent’ reduction in living standards and that 2023 will feel like recession for 7 million homes with 1 in 4 homes unable to pay energy and food bills.² The Joseph Rowntree Foundation cost-of living tracker, updated in June 2023 found that 9 in 10 low-income households on UC were going without essentials.
- Interest rates are now at 5% and are predicted to rise to 6% by the end of this year. This will impact many low-income households, almost half of which were already falling behind with bills before the June 2023 interest rate rise.³
- Citizens Advice have warned that if this situation persists, the cost-of-living crisis will become a household debt crisis.⁴ The continuing pressure on households created by changes to the welfare system, the pandemic and now the continuing cost of living crisis, is driving more people into poverty and people who were resilient in the face of last winter's energy crisis are now being drawn into the crisis because of pressure on mortgages and continuing high inflation.
- Even if the Government provides further support for households

² [Recession Avoided, But Prospects Remain Bleak for Households - NIESR](#)

³ [Low-income mortgage holders must not be ignored amid interest rate rises | JRF](#)

⁴ [The cost-of-living crisis is far from over | by Jonny Tatam-Hall | May, 2023 | We are Citizens Advice](#)

this winter, it is clear that the cost-of-living crisis will continue throughout 2023/24 and beyond and that we will need a plan to support people through another challenging winter.

- 1.26 A local data and intelligence dashboard has been created to provide an evidence base for our cost-of-living response. It is made up of three sections: context (a combination of national and local data that illustrates some of the factors that have created the conditions for the crisis); impacts (for example, food poverty, rent arrears, homelessness, and crime); and types of support (including Sheffield Citizens Advice and Household Support Fund).
- 1.27 The dashboard, included here as Appendix B, so far shows that:
- Homelessness presentations and possession claims (landlord and mortgage) have not noticeably increased, however it is likely that any impact of increasing interest rates on rents and mortgages will take several more months to be seen.
 - Council Housing rent arrears, whilst increasing, are not out of line with previous trends. However, issues with homelessness and rent arrears are not evenly distributed geographically or between different groups within the city e.g., people from some Black, Asian and Minoritised Ethnic groups are more likely to be homeless or have rent arrears.
 - The pattern of calls to Citizens Advice reflects existing and long-standing inequalities in Sheffield with almost half of advice requests on the top five issues coming from the northeast and east Local Area Committee areas.
 - Evidence from national surveys, food banks and the Household Support Fund show that food poverty is an increasing concern and food price increases have continued to pressure household budgets. The warmer weather has reduced the demand on the Household Support Fund for help with energy costs, however this will clearly become a significant factor again later in the year
- 1.28 We have also carried out a cohort analysis to better understand the impact of the crisis on different groups in the city. Full details are included in the Household Support Fund report which S&R Committee is considering alongside this paper. This has found that the following groups have been disproportionately impacted by the crisis: people on low incomes, people on benefits, families with children, people with disabilities and long-term health conditions, young people, unpaid carers, people from diverse communities (in particular people from some

minoritised ethnic groups and asylum seekers), and tenants in private rented accommodation.

1.29 Within these cohorts, the analysis has identified those who are both particularly disproportionately impacted and have likely to have access to more limited financial and other support (whether from the welfare system or, for example, their landlords): this includes families with more than two children and/or those with children under 5, lone parents, under 25s living alone, unpaid carers, and private rented tenants. Analysis has also found that mortgage holders, though less impacted so far, are likely struggle more as interest rates rise. This may have a knock-on impact into the private rented sector, particularly for tenants who rent from smaller landlords, who are more likely to own the home with a mortgage.

1.30 **Next steps for the Cost-of-Living response**

1.31 We will continue to work with partners through our established incident response structure to deliver against the strategic priorities and plan for the winter and beyond. The action plan in Appendix A sets out next steps to support the people of Sheffield as the cost-of-living crisis continues. It builds on activity and learning over the last year and is a live document which will be continuously updated. Key areas are summarised below.

1.32 **Providing direct and indirect access to support**

1.33 • **Welcome Places**

We will build on and develop the Welcome Places offer to meet the needs of communities and improve access to services over the colder winter months.

- SPF-funded cost of living community development workers will support this work, working closely with Local Area Committees.
- A further £400,000 has been allocated across the Local Area Committees to support the cost-of-living response. LAC chairs will consider how best to distribute and spend this funding, which may include sustaining and developing Welcome Places, using knowledge of local needs and feedback from Welcome Places on what additional support they need.

1.34 • **Household Support Fund**

As noted above, a separate report making recommendations about the way in which we distribute the Household Support Fund for 2023/24 is being considered alongside this paper. It makes recommendations which aim to make it easier for the council to provide a higher level of support to

communities that need it the most. The report also explains how we will ensure that the application fund stretches through the winter to ensure support is available when most needed.

1.35 • **One Route In Project**

This project aims to simplify access to the various types of SCC crisis support – such as Household Support Fund, Local Assistance Scheme, and potentially Council Tax Support, and Discretionary Housing Payments – to create ‘one route in’ and make it easier, quicker and less intimidating for people who need crisis support to access it. We have already incorporated additional crisis grants into the Community Support Helpline and are developing one application form for Local Assistance Scheme and Household Support Fund. Once a proof of concept has been developed, we will look to roll the form out to the Local Assistance Scheme independence grants. We will also continue to improve our information sharing agreements with trusted partners to that we can better support their clients.

1.36 • **Affordable Food**

A key commitment in the Food Strategy, which the S&R Committee is considering alongside this report, is to reduce inequalities in access to nutritious food and diet-related inequalities.

Further details are set out in that paper, but two key actions are to use £150,000 of funding from South Yorkshire Mayoral Combined Authority to:

- Support food banks to make use of discounts and efficiencies by purchasing food in bulk by funding warehouse and transportation support.
- Support the establishment of community pantry/affordable food clubs in more parts of the city.

1.37 **Communications and Information**

1.38 We will refresh and update the cost-of-living toolkit and frontline worker training and the Cost-of-Living Support Hub will continue with its programme of engagement with events in the community, with schools and partners such as the DWP.

We are also working with VCF partners to co-produce cost-of-living communications to make them more accessible to different communities.

1.39 **Other planned activity**

- Explore how we can better use service data (SCC and elsewhere) to capture levels of financial difficulty and identify appropriate solutions.
- Given what we know about the scale and likely continuation of this crisis and the warning from Citizens Advice about it becoming a debt crisis, consider options for responding to increasing levels of household debt.
- A particular focus and deep dive into the impact on children and young people and how we are working with schools and youth services.
- Facilitate conversations to define a clear ask for businesses who want to offer support to communities for example to welcome places.
- Consider the impact that wider SCC policy decisions have on the cost of living and ensure that we are getting the basics right, for example, in answering phones and timely responses.
- Review our approach as a creditor, including where someone is in debt to more than one part of the council, or where they are struggling to afford Council Tax.

1.40 **Looking beyond the short-term Cost of Living response**

Much of the activity above focuses on the next few months, in particular ensuring that we are prepared for next winter. However, the cost-of-living crisis is in many ways just the latest manifestation of long-term structural inequalities. Our cost-of-living response builds on our long-term commitment to tackle poverty in the city, as set out in the 2020 Tackling Poverty Framework. Over the next year, therefore, as well as responding to the short-term impacts, we will:

- Develop longer-term anti-poverty approaches, taking into account the relevant City Goals that are currently being developed.
- Continue to engage with people and communities with experience of poverty through the cost-of-living response and contribute to the Poverty Truth Commission.
- Build on our successes in creating a network of Welcome Places working with Local Communities to co design tailored packages of support services specific to localities needs.
- Advocate for funding models that incentivise collaborative and coordinated action on Cost of Living and Poverty.
- Seek funding mechanisms that provide stability and encourage sustained efforts to address poverty. Engage with national charities, trusts, and foundations to explore funding opportunities aligned with the local agenda.
- Develop options for responding to the cost-of-living crisis beyond

the winter, recognising that the SCC Cost of Living Hub team is currently funded until the end of 2023/24, and other funding such as the DWP-financed Household Support Fund may be discontinued or reduced after that point.

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 It contributes directly to addressing the following two key strategic issues outlined in the recent Strategic Framework report:

- City leadership – collaborating with partners to shape our future.
- Team around the community / neighbourhood working.

2.2 It also outlines the continuation and development of work which reduces inequality and poverty and addresses the following two corporate delivery plan objectives:

- Strong and connected neighbourhoods which people are happy to call home.
- Tackling inequalities and supporting people through the cost-of-living crisis.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 Our response is continuously developing and adapting based on the insight from our staff, public service and VCF partners on the impact on our communities and businesses.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 The cost-of-living crisis is having a more significant impact on some groups of people in the city than others. This includes people who share protected characteristics under the Equality Act, including women, disabled people, people from certain ethnic minority backgrounds, and both older and younger people. People with caring responsibilities are also disproportionately impacted as their income tends to be lower than the population as a whole.

4.1.2 The council's response to the cost-of-living crisis is intended to mitigate the worst effects of the crisis on people and communities across the city, including those who are most exposed to it. As described above this includes people who share certain protected characteristics and/or who come under the broader scope of equality covered by the council's EIA approach. All such protected characteristics and equality interests are impacted by the action plan. Therefore, the proposal set out in this report

is intended to have an overall positive impact on equality within the city, although this will be within the wider negative context of the cost-of-living crisis.

- 4.1.3 A full Equality Impact Assessment has been prepared and is included as part of the cost-of-living crisis action plan.
- 4.1.4 Reporting on demographic data will be a funding requirement wherever it is appropriate.
- 4.2 Financial and Commercial Implications
There are no financial and commercial implications arising specifically from this report.
- 4.3 Legal Implications
 - 4.3.1 There are no legal implications arising specifically from this report. The legal implications of any further decisions required to implement the action plan will be addressed at the time those decisions are made.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 **Stop our response.** Dismissed as supporting our communities and businesses through the cost-of-living crisis is critical to the wellbeing of our city. We are committed to standing alongside communities in the face of the crisis.
- 5.2 **Continue as is.** Sustain our response as is the current. Dismissed as while there has been some excellent collaboration to support our communities, we need to continue to review and adapt our approach in response to the changing crisis. Further, we need to focus on the forthcoming challenge of winter 2023/24 and pivoting towards a longer term, sustained approach to tackling poverty in Sheffield.
- 5.3 **Move to a wholly preventative approach.** Rejected because of continuing acute need to provide support for people facing crisis now and in the immediate future.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The recommendations build on the commitments made by the Strategy and Resources Committee on 31 May 2022 and 5 June 2022 to support Sheffields through the cost of living crisis. Working with communities and partners across the city, the recommendations ensure that SCC will continue to play a leading role through the strategic and tactical incident-type response

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