

Birmingham City Council

Report to Cabinet

25th April 2023



Subject: **PROGRESS REPORT - COST OF LIVING EMERGENCY PROGRAMME**

Report of: **Richard Brooks**
Director for Strategy, Equality & Partnerships

Relevant Cabinet Member: **Cllr John Cotton - Social Justice, Community Safety, and Equalities**
Cllr Yvonne Mosquito - Finance and Resources

Relevant O & S Chair(s): **Cllr Sir Albert Bore - Coordinating**
Cllr Akhlaq Ahmed - Resources

Report author: **Greg Ward**
Programme Manager, Cost of Living Programme
Telephone: 07500 809620
Email: greg.ward@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 The purpose of this paper is to report on the progress of the Cost-of-Living Emergency programme. The programme was initiated on 11th October 2022, following the Council's declaration of a Cost-of-Living Emergency and approval of a Cabinet report to establish priorities, funding, and governance.

2 Recommendations

- 2.1 Cabinet is requested to note the contents of this report and provide comment to inform further development of our Cost-of-Living response.

3 Background

- 3.1 In April 2022, the invasion of Ukraine impacted significantly on a world only just emerging from the Covid pandemic. As a result, the energy price cap jumped almost 60 per cent from £1,227 to £1,971. By October, the cap increased further to £2,500 a year – and this was not an absolute cap, it was based on unit costs.
- 3.2 This means that the average family was projected to pay three times more for energy in 2023-24 compared to 2021-22. Although the government subsequently made provision for an energy subsidy, wider prices were rising at a pace not seen for four decades, particularly for essential items including basic foods. Lower income people spend a higher proportion of their income on these essentials.
- 3.3 The Cost-of-Living Emergency has particularly affected Birmingham because the city has high unemployment and low employment rates. The concentration of poverty is also in key ethnic groups, especially Pakistani and Bangladeshi heritage families. The two-child limit for Child Benefit and Universal Credit affects ever more children who were born after April 2017. There is also widespread multiple disadvantage including from disability (which affects both chances of employment, and household costs). Finally, the wider housing stock in the city is poor and poorly insulated, leading to very high levels of fuel poverty.
- 3.4 The Cabinet Paper of the 11th October 2022 states that our Cost-of-Living response should align with and accelerate longer-term strategic work: for example, Early Intervention and Prevention, and Net Zero. A Strategic Response Group (SRG) was set up to provide a forum for ensuring this principle is respected.
- 3.5 Initial mapping of activity identified the following immediate actions:
- Ensuring the provision of a network of **warm spaces** across the city.
 - Improving the availability of **advice to residents**, with a focus on increasing benefits take-up.
 - Increasing **energy efficiency**, with a focus on reducing household fuel costs.
 - Increasing the **supply of food** through foodbanks across the city.
 - Supporting our **staff**.

3.6 Report on the Progress of the Immediate Actions

3.6.1 Warm Welcome

From a standing start at the launch on 24th October 2022, there were 197 Warm Welcome spaces open across the city as of 23rd March 2023. The Council “owns” only a small number of these spaces, mainly in leisure centres and libraries. The majority of the spaces are managed by a wide variety of

partners, from cultural institutions to faith centres, and from food pantries to charities. The Council convenes the network of these spaces. This network catalyses good levels of best practice sharing, and innovation. A new directory or “toolkit” with information and contacts from a myriad of support organisations and initiatives has been produced for partners.

The network is called “Warm Welcome” and the locations are designed to be welcoming and friendly. So far, 66 Warm Welcome Spaces have received funding through the council’s Warm Welcome grant fund. These awards range from micro grants of £500 to buy kettles, toasters, and crockery, to £10k grants for furniture, energy and other costs associated with providing a warm welcome. Many spaces have also received private sector sponsorship from outside the organisation, and the programme is attracting significant interest from the media, partners, and potential supporters.

Looking forward to the spring and summer, Warm Welcome will focus on building resilience within our communities; creating opportunities to connect through cultural events; alongside employment, digital inclusion, and routes into broader support pathways. A further £200k pot has been made available to Warm Welcome spaces delivering these initiatives.

3.6.2 Food Provision

Launched on the 1st December, the Emergency Food Aid Fund has supported 100 foodbanks through a grant of £800 per foodbank, per month, for six months. The grant allowed each foodbank to provide foods that reflect the preferences of their individual communities; funds could also be used for hygiene products, baby supplies and pet food where appropriate. Applications were processed quickly, first payments were issued on 14th December, and by 20th January 100 projects were approved.

The fund was oversubscribed and so a second, smaller, supplementary food fund was established and has extended support to a further 16 projects. We have received positive feedback on the Emergency Food Aid Fund, suggesting that it met our aims of supporting food projects in Birmingham and ensuring their longevity over the cost-of-living crisis. The fund also identified more projects with which to signpost residents, for example, by linking them up with Healthy Start vouchers.

The Food Provision strand also supported Holiday Activities and Food for children during the Christmas school holidays. This matched DFE funding to produce 30,000 meals for children and their families.

All fourteen BCC Youth Centres have been enabled through the programme to buy new cooking equipment to produce 75,000 meals across a year. Initial feedback suggests that this funding has allowed the provision of nutritious, hot meals to the youth centre users, and also enabled cooking classes.

In an evolution away from emergency grants towards capacity-building, the Affordable Food Infrastructure Fund was launched on 7th Feb 2023. The fund provides grants of up to £3,000 for food preparation equipment. This will increase the capacity of at least 75 of Birmingham's food projects to provide more food to more people. Food that is nutritious, culturally appropriate, safe, and hot where possible

Finally, we also supported the development of a surplus food hub, where surplus food can be cooked into nutritious, culturally appropriate, sustainable meals for vulnerable residents in Birmingham, again demonstrating a commitment to improving both access and capacity in the city.

3.6.3 Increased Access to Benefits

Arrangements were put in place, effective from November 2022, to make additional advice available at the two Neighbourhood Advice and Information Service (NAIS) Centres at Erdington and Northfield. Both centres extended their opening times for 5.5 additional hours, with hours extended from 4.30pm to 7.00pm each Tuesday and from 10am to 1pm each Saturday. The offices are also now open at lunchtime. As a result, the centres have to date assisted at least an additional 557 clients to claim benefits of £736,579.

These offices provide advice to walk-in clients but also make targeted outbound telephone calls to customers in financial hardship. This is flagged to the teams if clients have recently either accessed an emergency food voucher or a Local Welfare Provision payment. Clients are also prioritised in the highest need wards as identified by the City Observatory.

Proactive calls and pre-booked appointments have been particularly productive. Pre-booked appointments have the highest income maximisation per customer. These tend to be clients who visit the advice centres during the week. The clients then receive an appointment during the newly extended hours. A comprehensive income maximisation interview may take one hour.

The Contact Centre has been provided with additional resource to increase capacity which has also enabled extended opening hours from 5pm – 7pm every weekday evening and 10am to 1pm on a Saturday morning. There is now a dedicated Cost of Living telephone hotline handling on average 1,600 calls per week. The Contact Centre has also launched an online webchat service which is handling just under 200 contacts per month.

Two thousand and seventy-six foodbank vouchers were issued in January 2023. In February, there was an increased distribution of 2,111 food bank vouchers, double the same period for 2022. It is anticipated if numbers continue to increase at this rate, the number of foodbanks vouchers issued in March will increase to around 3,000. New staff resources have been provided to meet the overwhelming demand for these foodbank vouchers. Whereas

these vouchers were once processed over a few days, they can now be turned around in 24 hours.

3.6.4 Energy

The Cost-of-Living team has provided £250,000 of additional energy top-ups for 5,000 homes, many with pre- payment metres. The top-up is distributed through the Local Welfare Provision Team.

There are also plans to expand on a successful scheme to loan slow cookers to residents via Warm Welcome spaces. This arrangement allows users to cook nutritious, energy efficient meals at home whilst establishing local community groups for sharing recipes.

Sixty council frontline officers have received Energy Support training covering aspects of fuel debt, energy saving tips, discounts and energy saving measures. Trained officers are now able to identify and refer vulnerable households for specialist advice and support, even where public referrals are closed due to high demand.

The planned purchase of Hygrometers (low-cost tools that detect temperature and humidity); and educational resources, will support tenants in preventing damp and mould issues. Collaboration with housing stakeholders will enable reach across multiple tenure types.

Work continues with national partners to introduce an online energy and fuel poverty training program to be delivered through the Warm Welcome network. This will enable community organisations to provide general advice and information, and signpost effectively. There is also collaboration with the Red Cross and other stakeholders on a new warm pack to be distributed next winter to vulnerable communities along with a new 'Warm Welcome at Home' offer. This wider approach will include advice to residents, befriending and other support for those who are unable to visit the Warm Spaces

3.6.5 Support for Council Staff

The Cost-of-Living staff campaign focused on promoting city wide warm touchdown spaces where employees could choose to work. In tandem, a calendar of events promoted both financial and mental wellbeing. There is help with money, pensions, and debt advice. Workshops are conducted at key locations, with a particular focus on those staff with little access to IT.

Two thousand flu vaccinations were also provided free of charge. In addition, over two thousand staff attended Woodcock St to access other services. The workstream includes the promotion of the My Birmingham Rewards staff benefits scheme, and the introduction of an enhanced and free, confidential, 24 hour a day employee assistance programme.

3.6.6 City Observatory

The Cost-of-Living programme is intelligence led. The City Observatory has developed and published a ward level financial resilience dashboard to highlight the most acute need and has been central to mapping provision across the city (particularly to identify gaps). The Census Dashboard in the Observatory is also helping us to understand our communities across the city, for example their ethnicity and religion in relation to the support available near to them. The Observatory has also developed internal dashboards on the location and characteristics of the Foodbanks, Warm Spaces, and touchdown venues for staff. <https://www.cityobservatory.birmingham.gov.uk/>

3.6.7 Communications

The programme has benefitted greatly from substantial support from the Communications Team. There is an overall brand, Help in Brum, split into five sub-brands. These brands reflect the individual workstreams. The “Warm Welcome” and “Food Provision” brands have been designed to destigmatise support. These are shared with partners all over the city and have helped encourage citizens to access support. The Birmingham City Council logo is not used as the Cost-of-Living is a partnership effort. Key communication materials are available in Birmingham’s ten most widely spoken languages. There are regular newsletters, targeted campaigns, and press releases to promote the Cost of Living response.

3.7 **Summary of Learning to Date**

3.7.1 Inter-department Collaboration

The delivery of this programme has been a “whole council” project. Each Immediate Action required close collaboration between council departments. Intelligence, expertise, and learning is shared, resources are pooled. New talent in the organisation has been discovered. Particular credit should go to the Legal, Finance and Procurement teams which provided advice and guidance which has enabled quick and robust decision making. This cohesion was driven by a collective ambition to combat poverty in all its forms.

3.7.2 Finances

The allocation of £5m by Cabinet was funded from the Financial Resilience Reserve. Carefully targeted investment led to significant leverage from across the city. A good example is the £27k of investment in staff time for the additional hours at the NAIS offices. This has yielded over £700k in new benefits by creating additional time for intensive individual reviews of citizen benefits. As the programme progresses, there is ever greater scope to align this work with the budget allocated to the Household Support Grant.

3.7.3 The Cabinet’s decision to delegate authority for day to day spend to the Cabinet Member for Social Justice, Community, Safety, and Equalities, and

officers, has allowed streamlined decision making and therefore quicker access to help for our residents. The Cabinet authorised the setting up of the Strategic Response Group.

The SRG sets strategic direction and agrees key priorities. Chaired by the Director of Strategy, Equality and Partnerships, membership includes relevant departmental leads as well as finance and legal representation. The NHS and BVSC provide an expert, external perspective and the Birmingham Children's Trust is also represented. The SRG maintains a critical overview of the council's responses, owns key risks and issues; signs off the communications strategy and has final approval on finances (in consultation with the Cabinet Member for Social Justice, Community, Safety, and Equalities). Decisions are recorded and, through an Officer Delegated Decision Form, are registered on CMIS.

3.7.4 Cost of Living Ecosystem

There is a focus on the city-wide system and on the network of organisations that support our shared objectives. This allows the council to benefit from partner expertise and advice. A City Partnership board, chaired by the Director of Public Health, has been set up to improve partner engagement and to advise the Council on delivery.

Birmingham has an extensive and highly diverse network of partners. This has served as a vital catalyst in delivering innovation and learning. This "open innovation" combined with programme flexibility (rather than more formal transactional contracting) together with the fast-track decision making process, has been impactful. In this programme, the council often played the role of facilitator rather than commissioner of services, tactically removing barriers through carefully targeted investment and support.

3.7.5 Warm Spaces as Community Assets

From the start, an overarching objective was to provide a "Warm Welcome." There has been a genuine effort to avoid stigmatising people and so the social aspect of these spaces has been built in from the start. Anecdotal evidence (which will be further investigated) suggests that many users of the space visit for the company rather than just the warmth. "Friendly" and "welcoming" are words often used by citizens. The Warm Welcome teams possess detailed knowledge of their communities and the wellbeing of individual members. These teams have often been central to preventing the removal of benefits or in dealing with difficult personal situations. This is a quite different place from some other public spaces that these communities engage with. It is telling that in the 15 libraries that host a Warm Welcome, footfall has increased by 20%. At the Warm Welcome weekly hosted events (coffee mornings, hot drinks, activities), at these 15 spaces alone, attendance averages over 1,600 people.

3.7.6 Future Delivery of other priorities

This has been a specific programme to innovate, incubate and accelerate activity in relation to a strategic council priority. There seems to be scope to use the Cost-of-Living approach as a tested method for certain other forms of delivery. This may be particularly relevant where challenges are complex; where they implicate multiple council services and directorates; and where there is a significant ecosystem of partners in the city that is relevant the issue.

3.7.7 Early Intervention and Prevention

The Cost-of-Living programme has been established as an emergency response, but it is intended to deal with a concerning long term challenge. There is a strong and growing read across to Early Intervention and Prevention. Benefits advice is becoming more proactive by reaching out to vulnerable individuals as well as awaiting enquiries; warm spaces are developing into platforms for advice, providing early warning of serious need in terms of food, fuel, or income. All this reflects the tenets of the Early Intervention Strategy. The overall objective is to stop vulnerable individuals from developing more serious problems in the future. As the Cost-of-Living programme evolves, and transitions from immediate actions to capacity building, it will become ever more aligned with Early Intervention and Prevention.

3.8 Next Steps

3.8.1 A Longer-Term Evaluation Framework

An evaluation framework will be developed to understand better the impact of the programme. Learning can be extracted from this process, both for the benefit of future Cost-of-Living interventions and also wider emergency responses. Key issues can be established: 'what works, for whom, in what respects, to what extent, in what contexts, and how?' This exercise will take place over the next months and the results will be reported back to the Council.

Appendix 1 provides a summary of the evaluation framework to date along with questions on the impact which is to be investigated at the next stage of evaluation. A full equality and equity audit will also be conducted.

4 Options considered and Recommended Proposal

- 4.1 In the Cabinet Report on 11th October 2022, it was stated that the main alternative option would be to do nothing and continue on as business as usual. Doing nothing would have meant that the City Council would have failed to provide the additional support needed over the cold winter months. Much of the support needed is only within the Council's gift. Additionally, the Council has unique convening power to bring other agencies together to create a coherent city wide approach. The option of doing nothing was therefore not recommended.

5 Consultation

- 5.1 CLT have reviewed these recommendations and there has been consultation with key Cabinet Members and Officers who have contributed to and endorsed this progress report.

6 Risk Management

- 6.1 The main risks considered as part of the development of the Cost of Living programme were:

- An inability to respond at the required scale and pace.

Mitigation: This risk was mitigated by the decision of the Cabinet to set up the Cost-of-Living Emergency Programme and to allocate up to £5m of the Financial Resilience Reserve for investments in the initiative.

A lack of a coordinated response across the city. Given the urgency, partners as well as the Council may start putting in place actions that duplicate or do not align thus reducing the impact and/or causing confusion.

Mitigation: Lack of a co-ordinated response was avoided by setting up a Strategic Response Group as the main day to day governance mechanism; a City Partnership Group as the forum for consultation with city partners; and a Warm Welcome network of warm spaces to share resources, best practice, and to generate innovation.

The possibility of further significant disruptive events: bad weather, new pandemics, NHS pressures, other emergencies.

Mitigation: The Cost-of-Living Emergency was structured as a crisis response group not unlike that used during the Pandemic. This provides the programme with an ability to anticipate and respond quickly in a fast moving landscape. Fortunately, though, to date, the environment has been relatively stable. However, the Cost-of-Living team are aware that there is no room for complacency in this regard.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the Council's priorities, plans and strategies?

- 7.1.1 The actions described above and in the appended Evaluation Framework are consistent with a number of City Council priorities, particularly the Early Intervention and Prevention, Inclusive Growth and Net Zero strategies, as well as the Council's broader aims of reducing poverty.

7.2 Legal Implications

7.2.1 Whilst there are no legal implications directly arising from this report, legal advice is provided as and when necessary, in respect of each of the various and wide-ranging initiatives considered by the Cost of Living project.

7.3 Financial Implications

7.3.1 The Financial Spend is as follows (rounded to the nearest £1,000). There are still new bids to come forward for the current project and a further proposal will be submitted to Cabinet on any future use of the remaining budget.

Workstream	Committed Spend
Warm Welcome	£300,000
Increased Access to Benefits	£1,200,000
Energy	£250,000
Food Provision	£789,000
Support for Council Staff	
Programme Spend	£167,000
Total	£2,706,000

7.4 Procurement Implications (if required)

7.4.1 There are no procurement implications from the recommendations in this report. Any projects with procurement implications arising from the Cost of Living Programme will be covered in separate reports and follow the Council's Procurement and Contract Governance Rules and the Public Contract Regulations where applicable.

7.5 Human Resources Implications (if required)

7.5.1 The Human Resource Implications are described in 3.6.5 and the People Partner will continue to support the directorate to deliver this programme from a people services perspective.

7.6 Public Sector Equality Duty

7.6.1 The Cost-of-Living Emergency programme required a crisis management approach. The Cohesion and Equalities team therefore advise that a full Equality Impact Assessment and Equity Audit be undertaken alongside the Impact Assessment at the next stage of evaluation. This will allow data to be gathered as a more granular level.

7.7 Environmental and Sustainability Implications

7.7.1 An Environmental and Sustainability assessment has been submitted to and accepted by the Carbon Policy Officer. The overall impact for the programme is positive and the assessment is available as **Appendix 2**.

8 Appendices

8.1 **Appendix 1** - Summary of Evaluation Framework to Date.

8.2 **Appendix 2** – Environmental and Sustainability Assessment.

9 Background Documents

9.1 Cabinet Report 11th October 2022: Cost-of-Living Emergency Programme.