

ABERDEEN CITY COUNCIL

COMMITTEE	Anti-Poverty and Inequality
DATE	10 May 2023
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Supporting People through the Cost of Living Crisis
REPORT NUMBER	CUS/23/122
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Jacqui McKenzie
REPORT AUTHOR	Paul Tytler
TERMS OF REFERENCE	1.1

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Committee on the Outcomes achieved from the allocation of Cost of Living Funding, to report on the provision of Warm Spaces and support for communities visiting them and update on any additional resources from the Scottish or UK Governments.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the progress in delivery of the outcomes from the Cost of Living Funding.

3. CURRENT SITUATION

Cost of Living Funding

- 3.1 The [Operational Delivery Committee on 31 August 2022](#) resolved from the paper [Supporting People through the Cost of Living Crisis](#) to allocate £1m as follows:
- (i) to allocate £430,000 to Community Food Customer Initiatives North East (CFINE) for investment in food procurement, development of food pantries (300 memberships, weekly food shops, management and admin); and Support, Advice, Finance and Education team support;
 - (ii) to allocate £300,000 to the Scottish Welfare Fund provision to reinstate medium priority applications to the end of March 2023;
 - (iii) to allocate £100,000 to SCARF to assist in alleviating fuel poverty through distribution of fuel vouchers and trialling a 'cash first' approach;
 - (iv) to allocate £100,000 to ABZ works to support 100 lone parent families through existing employability programmes;
 - (v) to allocate £45,000 to the provision of insulation measures for 500 homes;

- (vi) to allocate £25,000 to establish a Family Wellbeing Fund, to support families through the provision of advice and to develop a support plan.

3.2 The funds were allocated during September and early October, following the development of Service Level Agreements with external partners, who have submitted quarterly monitoring reports since then. Updates have been sought for this report and are detailed below. Understandably work was required to ensure robust processes were in place to support the effective delivery of these services and therefore in some instances funding and activity has been carried over into 2023/24.

3.3 In summary, the position is as follows:

	Allocation	Spend	Outcomes
Cfine	£430k	£328k	120,000 meals equivalent 68 food members supported 300 new pantry members
SWF	£300k	£300k	Distribution of £300k through SWF awards. It is not possible to disaggregate the numbers from the overall SWF.
SCARF	£100k (fuel) £45k (insulation)	£93k	993 households 390 home visits
ABZ works	£100k	£25k committed £14k spend	25 lone parents
FIT Team	£25k	£500	2 families

Updates on each element of funding are below.

Cfine Procurement and Distribution of Food

3.3.1 In October 2022, CFINE undertook planning for the procurement and distribution of food. This involved re-engaging with suppliers which CFINE purchased food from during the pandemic. As CFINE was an existing customer, suppliers confirmed that the average 6-month lead time for new customers would not apply, allowing for far quicker access to essential bulk food supplies.

3.3.2 Following feedback gathered from Community Food Members (CFMs), the types of food most needed were identified as non-perishable ambient food (such as dried pasta, tinned soup, cooking sauce etc.). CFINE proceeded to place a number of orders, which were typically 26 pallets at a time (a full lorry load to maximise value for money).

3.3.3 A list was drawn up based on capacity to receive pallet-sized loads (based on equivalent of around 100 food parcels per pallet). These included Middlefield

Community Project, Instant Neighbour, Cummings Park Community Centre, Aberdeen Cyrenians, Northfield Community Centre, Inchgarth Community Centre, Fersands & Fountain Community Project, Tillydrone Community Flat and others.

- 3.3.4 For other CFMs which were less equipped to distribute larger quantities, the purchased food was incorporated into local delivery runs of surplus food, providing a welcome addition to existing stocks.
- 3.3.5 CFINE communicated with partners through Food Poverty Action Aberdeen (FPAA) explaining the food purchase and distribution and requested that any partners needing to access additional food supplies to contact them.
- 3.3.6 Specific food was purchased for distribution to Community Food Pantries, with CFINE gathering information from Pantry members about their needs/preferences.
- 3.3.7 At the time of writing (28th March), a total of 65.55 tonnes of food (notional equivalent to over 120,000 meals) has been distributed to 68 Community Food Members across the city. Deliveries have included the additional provision of surplus food including fresh fruit and vegetables.
- 3.3.8 The total spend on food procurement to date is £145,778, with another order currently in progress for imminent delivery and onward distribution. It is expected that the funds will be fully spent by the end of May 2023 with the following actions:
- Continue procurement of food from our suppliers based on feedback from partner organisations and pantry members.
 - Storage, processing, allocation, and distribution from CFINE's warehouse in Aberdeen, utilizing their fleet of vans, and increased capacity due to recruitment of new volunteers and ongoing employability trainees, adding value to their training/work experience.
 - Continuing to respond to new requests from community organisations requiring access to food supplies as required and thus recruiting new CFM's which will ensure a wider spread of distribution going forward over 23/24.
 - Supplementing purchased food with surplus via FareShare to maximise added value and choice.
 - Ensure on-going engagement with CFM's across the city to ensure CFINE are providing appropriate food depending on the needs of the organisation and communities.
 - Continue the development of community pantries and extend the mobile service to other areas which are identified as areas of need.

SAFE Team

- 3.3.10 CFINE have fully spent the allocation for Support, Advice, Finance and Education (SAFE) team advice, which has been key in providing advice, support and information on welfare/benefits and budgeting, and the team have seen a significant increase in demand for these services.

3.3.11 The funding allocated towards SAFE work has been utilised to employ a new staff member to undertake essential outreach work and provide additional capacity in supporting beneficiaries identify and claim benefit entitlement, access emergency funding such as via the Scottish Welfare Fund, maximise household income via budgeting advice, and access to additional support.

3.3.12 Key to this post is the growing connections being made across the priority communities with the mobile pantry service. Additional to existing partnerships, links are also now in place with other organisations where SAFE support can provide benefit e.g., Salvation Army, Abernecessities, Social Security Scotland, DWP, HomeStart and Aberdeen Foyer.

3.3.13 The SAFE Outreach worker has been key in identifying and supporting beneficiaries in priority communities and this has led to an increase in the uptake of financial capability/budgeting support and advice. Work is ongoing to continue to maximise positive outcomes for beneficiaries.

3.3.14 In addition, the SAFE team has been working in partnership with SCARF to provide access to energy/fuel cards for beneficiaries who are struggling due to increasing costs.

Community Pantry Memberships

3.3.15 CFINE has fully spent the allocation for 300 free memberships for community pantries, including Woodside Community Centre. This ensures members have access to a range of fresh, frozen, and ambient products whereby they can 'shop' and select the items they require. The value of a typical 'shop' is normally in excess of £25 and helps reduce family expenditure on these items – particularly those which would otherwise be financially unviable for those on low incomes (e.g., meat).

3.3.16 Purchases have been made using the allocated funding for pantry specific food which tends to be based on retail/supermarket stock and is well received by members. In addition to food, CFINE provides a range of household essentials including toiletries, period products, washing powder etc, all of which go towards reducing household expenditure for residents who are struggling with the cost-of-living crisis.

Scottish Welfare Fund

3.4 The additional allocation of £300k was transferred to the Scottish Welfare Fund (SWF) budget. This allowed the team to continue to support medium as well as high level priorities. It is not possible to disaggregate the numbers from SWF overall funding. Over the last ten years, there has been a significant increase in applications, increasing by 70% for Community Care Grants (CCG) and 185% for Crisis Grants (CG). Service standards are reported to Communities Housing & Public Protection committee and the aim is 90% for CG's (next working day) and 50% for CCG's (15 working days). The performance figures for 2022/23 have not yet been finalised, but at the end of Q3 were 96% and 90% respectively.

SCARF – alleviating fuel poverty (100k) and insulation (£45k)

- 3.5 SCARF undertook to promote and deliver fuel vouchers and packs on insulating materials (LED bulbs, radiator reflectors etc).
- 3.6 It was essential to ensure that the programme was effectively established and that robust systems were implemented at the outset. In addition the support was promoted across communities and supplies of insulation materials were procured. It is expected that activity and spend will be completed by the end of April.
- 3.7 A total of 993 households have been supported with fuel bills, a total of £93,345 of the £100k allocated, the balance will be spent during April 2023. Scarf carried out 390 home visits. There were 374 lone parents supported and 619 families with children.
- 3.8 A case study from an adviser:

Client had difficulties after migrating supplier, the supplier was asking for more than they could afford for a monthly payment and were seemingly not cooperative enough to help lower it. I gathered data and the client's income to calculate a maximum amount they could afford due to being only on benefits currently, we phoned the supplier together and set up SCARF as 3rd party, we then found out the arrears amount the client has which was £759.50. After this we agreed to set up a standing order of £120 even though the amount required was £190 this helped lower the monthly debt growth and keep any debt collection letters off the client. I then gathered details for a Home Heating Support Fund application and was awarded for the client an amount of £1459.50 which cleared the debt and added a further £700 in credit to the clients account to keep them out of debt.

- 3.9 A total of £20,262 was spent on insulation and energy efficiency measures from the £45k allocated. This included packs of LED bulbs, radiator reflectors etc. The remaining £24,738 will be spent early in 23/24 and arose largely due to the extended lead time at the outset in procuring supplies of the required items.

ABZ Works Lone Parent Support

- 3.10 There are currently 25 lone parents receiving money through this scheme so far, the majority being female. Employment sectors include care, admin, cleaning, employability, hospitality, education, childcare, retail, energy, and manufacturing/production, with roles across the public, private and third sectors. The majority are part-time roles, mostly permanent contracts, with some fixed term contracts and in-work support is continuing for all.

- 3.11 £25k has been committed to those lone parents, with £14,371 paid out. There are 152 single parents on the employability books currently (includes the 25 who've received the funding). There are pilot projects currently running for lone parents who are almost work ready, and a contract to provide employability support to lone parents at stage 3 of the employability pipeline will shortly be in place, so the funding is still required and will conclude in 2023/24.
- 3.12 The funds are used to support childcare, travel, work clothes, lunches at work, home working equipment, holiday childcare, winter coat and footwear, rent deposit. The majority of people receive the money over three months, but exceptions are made where needed – eg one parent who was behind on childcare payments and at risk of losing the place, which would have prevented her from taking up a job offer, got the £1k in a single payment to clear that debt and preserve the childcare place.
- 3.13 Work was undertaken with the Department of Work and Pensions to ensure there was no impact on existing benefit entitlements through the provision of the grants. The team work closely with DWP to identify people who are work ready and run information sessions for them. Anecdotally, the £1k payment is proving to be a real motivator, in that the funding is being seen by parents as removing financial barriers preventing them from entering the workplace and there is attitudinal change from 'I can't afford to work,' to 'I want to work, this money would enable me to work' and stimulating serious attempts to secure employment.
- 3.14 Every parent who is offered the funding is referred to the FIT team and DWP to ensure they are getting the benefits and support they are entitled to.

Family Wellbeing Fund

- 3.15 The Financial Inclusion Team (FIT) developed the Family Wellbeing Fund (FWF) approach to support families through the provision of advice and to develop a support plan linked to topics such as money advice, fuel payments and employability. As these households are identifiable, this would work by providing an initial payment of £100 to the household, with a second payment of £150 as an incentive to engage with services to maximise their income. This will help support those that need further support but are just above the thresholds for mainstream help available. The aim was to support 100 families to March 2023 with a cost of £25,000.
- 3.16 An online application form was created and a Data Protection Impact Assessment completed, to ensure the protection of people and data.
- 3.17 The FIT team met with all advice agencies (CAB, CFINE, Home Start) to encourage their staff to apply for people accessing their service. There have been two referrals to the programme to date, both lone parents with three and four children respectively. The families had been engaged with the FIT team

but are now doing so more widely. Spend so far has been £500 from the £25k allocated. Further work will be undertaken to promote the fund. In addition, data from the Revenue and Benefits Team will be analysed to explore the potential to identify families that would meet the criteria and target them for support. It is anticipated that this will be effective and enable funds to be directed to those families requiring support.

Warm Spaces

- 3.19 Warm Spaces have been established across this city, with a mix of Council premises and community and third sector organisations providing support. Information can be found at <https://www.aberdeencity.gov.uk/services/people-and-communities/warm-spaces>. There are 52 venues across community centres, libraries, churches, and public spaces.
- 3.20 Support provided through Warm Spaces includes a range of activities and opportunities offered across the city, from offering a welcoming warm space, signposting to information, access to internet, a hot drink, hot meal, access to participate in centre programmes or specific lead warm space activities such as reading newspapers, sustainable crafting, yoga, reading corners and board games.
- 3.21 Developments across the city October 22– March 23 include:
- City wide Warm Space Directory up and running
 - Branding for WarmSpace introduced
 - Volunteer remit created & training opportunities for volunteers created. 28 accessed training opportunities
 - Staying Well & Warm Roadshow - 4 roadshows took place offering a range of supports and advice in response to the cost-of-living crisis. (Central library, Cummings Park, Tillydrone Community Campus & Kincorth Community Centre) A wide range of partner agencies attended – CFINE-safe team, Scarf, Home Energy Scotland, Financial Inclusion, Library service, Grampian Credit Union, Care & Repair, NHS vaccination team, Family & Adult Learning, Adult Learning, Social Security Scotland, Health Point, health Improvement team and Housing. Over 110 people were given advice & information.
 - Funding enabled Community Development to purchase blankets, food, kitchen equipment, training, and resources for activities to support the initial pilot centres. As visits to other Warm Space community spaces happened, we were able to respond and build capacity in community venues by helping with kitchen equipment and food in order to respond to their community's needs.

- 3.22 From a community perspective each Warm Space developed its own unique offer. Examples of this have been free warm drinks, spaces to read paper, enjoy games or participate in the community centre programme. Overall, there has been an increase in the development of centres in providing community meals – soup'n' sarnies, community breakfasts, community meals and hot lunches and increase in the use of community food pantries.
- 3.23 The City Growth and Resources Committee on 21st June 2022 approved an allocation through the [External Funding](#) paper for an allocation from the Local Authority Covid Economic Recovery (LACER) fund of £407,589 for the Hardship Fund proposal. This was distributed as the Covid Recovery Fund (to avoid confusion with earlier Scottish Government Hardship Fund) to third party and community organisations. Among a wide range of supports, the fund supported Warm Space activities. The outcomes from that funding are in the process of being collated and may offer further insight into delivery of Warm Space activities and can be reported to a future committee.

External Advisers

- 3.24 The external advisers have acknowledged the funding allocated and the progress made as outlined in this report. They have highlighted the need to develop the process and sustainability of emergency and community food provision, along with outreach services, to support the third sector in managing the scale of demand being experienced, working to reduce and remove the need. This will now be one of themes to be considered and further developed in the workshop with the external advisers.

Additional measures

- 3.25 Further measures to support people include:
- for anyone in receipt of the Scottish Child Payment, an automatic increase to £25 per week from 14 November 2022. Applications for the Scottish Child Payment will also be open to all eligible under 16s from that date, with all payments backdated to the date of application. These payments are administered by Social Security Scotland (SSS);
 - the introduction of the new Winter Heating Payment allowance which guarantees a £50 annual payment to around 400,000 low income households (administered by SSS);
 - doubling of the Fuel Insecurity Fund to £20 million in 2022-23, to help households at risk of self-disconnection or self-rationing energy use, administered by Third Sector;
 - widening eligibility for the Tenant Grant Fund, to support those struggling with increasing costs;
 - giving local authorities more flexibility to take account of energy bills in their prioritisation of households for Discretionary Housing Payments (DHP) and an increase in DHP funding of £5 million.

4. FINANCIAL IMPLICATIONS

4.1 Some of the funding allocation has been carried forward into 2023/24 as an earmarked sum and spending is expected to be complete early in 2023/24. A final update will be brought forward to a future committee.

5. LEGAL IMPLICATIONS

5.1 There are no legal implications arising from this report.

6. ENVIRONMENTAL IMPLICATIONS

6.1 The implementation of the insulation measure to help alleviate fuel poverty by improving energy efficiency can be expected to have a small but positive impact on the environment but will be difficult to measure the impact.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	There is a risk that failing to support people struggling to meet the increased cost of living could lead to longer term economic harm.	Delivery of recommendations to help mitigate the cost of living impacts for the most vulnerable, alongside work and support across services, partners and third sector.	L	Yes
Compliance	There is a risk of failing to comply with a Council decision to spend the allocated £1m to help the most vulnerable in our community	Delivery of recommendations to help mitigate the cost of living impacts for the most vulnerable, alongside work and support across services, partners and third sector.	L	Yes

	with energy costs.			
Operational	The project delivery in this report required minimal additional resource from the Council.	Strong partnership working with organisations identified will ensure this risk is minimised.	L	Yes
Financial	No significant risk identified as the £1m has already been budgeted			
Reputational	There is a risk that failing to support people struggling to meet the increased cost of living could lead to reputational damage.	The delivery described in this report demonstrate a clear commitment to supporting people with allocated budgets.	L	Yes
Environment / Climate	The environmental impact of the insulation measures will be small, although positive	Work with partners to ensure uptake of the measures improves.	L	Yes

8. OUTCOMES

COUNCIL DELIVERY PLAN 2022-2023	
	Impact of Report
Aberdeen City Council Policy Statement Working in Partnership for Aberdeen	The delivery of outcomes described in this report align with the Partnership agreement with regard to the mitigation of poverty, and specifically the pledge for an urgent report into the effects of poverty on the city.
Aberdeen City Local Outcome Improvement Plan 2016-26	

Prosperous Economy Stretch Outcomes	The outcomes described in this paper impact on stretch outcome 1 – No one will suffer due to poverty by 2026.
Prosperous People Stretch Outcomes	The outcomes described in this paper impact on Prosperous People Outcomes: 7 - 95% of all our children, including those living in our priority neighbourhoods, will sustain a positive destination upon leaving school by 2026 11 - Healthy life expectancy (time lived in good health) is five years longer by 2026
Prosperous Place Stretch Outcomes	The outcomes described in this paper impact on prosperous place outcome 13 - Addressing climate change by reducing Aberdeen's carbon emissions by at least 61% by 2026 and adapting to the impacts of our changing climate.
Regional and City Strategies	There will be a positive (small) impact on efforts to reduce carbon emissions through the recommendations on tackling fuel poverty.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Other	n/a

10. BACKGROUND PAPERS

- 10.1 Supporting People through the Cost of Living Crisis CUS/22/151
- 10.2 External Funding COM/22/111

12. REPORT AUTHOR CONTACT DETAILS

Name	Paul Tytler
Title	Locality Inclusion Manager
Email Address	ptytler@aberdeencity.gov.uk
Tel	01224 067879