

COST OF LIVING SUPPORT FOR HOUSEHOLDS AND COMMUNITIES

SEPTEMBER 2022

**EVERYONE'S
ESSEX**



Essex County Council

**HOUSEHOLD SUPPORT FUND
– BUILDING ON THE SUPPORT
ALREADY PROVIDED, WITH
HELP FROM THE DEPARTMENT
FOR WORK AND PENSIONS,
WE WILL BE MAKING A FURTHER
£9.4M AVAILABLE TO HELP
HOUSEHOLDS ACROSS ESSEX**



**THE IMPACT OF THE COST OF
LIVING CHALLENGE IN ESSEX**

BACKGROUND

Inflation on the items that drive household bills is running at the highest level for decades. This is creating a challenge for all of us. The government is intervening to offset the worst impacts for citizens and businesses. Even with this support many households across Essex will still struggle and for a small number of households the impacts of these cost rises will force them to make difficult choices about economising on necessities.

The County Council is also impacted by these challenges as an employer, as a user of energy, as a purchaser of goods and services subject to inflation and as a direct provider of services for which demand is growing. We cannot offset these impacts entirely – either for ourselves or others – but we can and should provide targeted support and advice to our residents during these tough times.

In this paper we set out approximately £50m of support that summarises what we are doing¹.

¹ £50m represents an approximate value of the total amount of support described in this plan. It is a combination of monies from central government and the County Council and covers activity currently being provided as well as future activity.

THERE ARE THREE BROAD GROUPS WHO WILL BE FINDING THINGS PARTICULARLY TOUGH: WORKING FAMILIES ON LOW INCOMES; SINGLE PARENTS – ESPECIALLY WOMEN; AND SINGLE WOMEN AGED OVER 65

THE SCALE AND SCOPE OF IMPACT: PLACES AND COHORTS

The cost of living challenge will be experienced by every household in Essex but some households will be more affected than others because they have a lower level of discretionary income they can use to offset the increased costs of essentials like food, heating, and transport². We have mapped those areas on the next page.

THE FOLLOWING PEOPLE ARE PARTICULARLY AFFECTED

No one is immune from the impacts of price inflation. However, some people are impacted by the costs of living challenge more than others. Our evidence suggests there are three broad groups who will be finding things particularly tough right now. They are working families on low incomes; single parents – especially women; and single women aged over 65. These groups tend to have the lowest incomes relative to household costs.

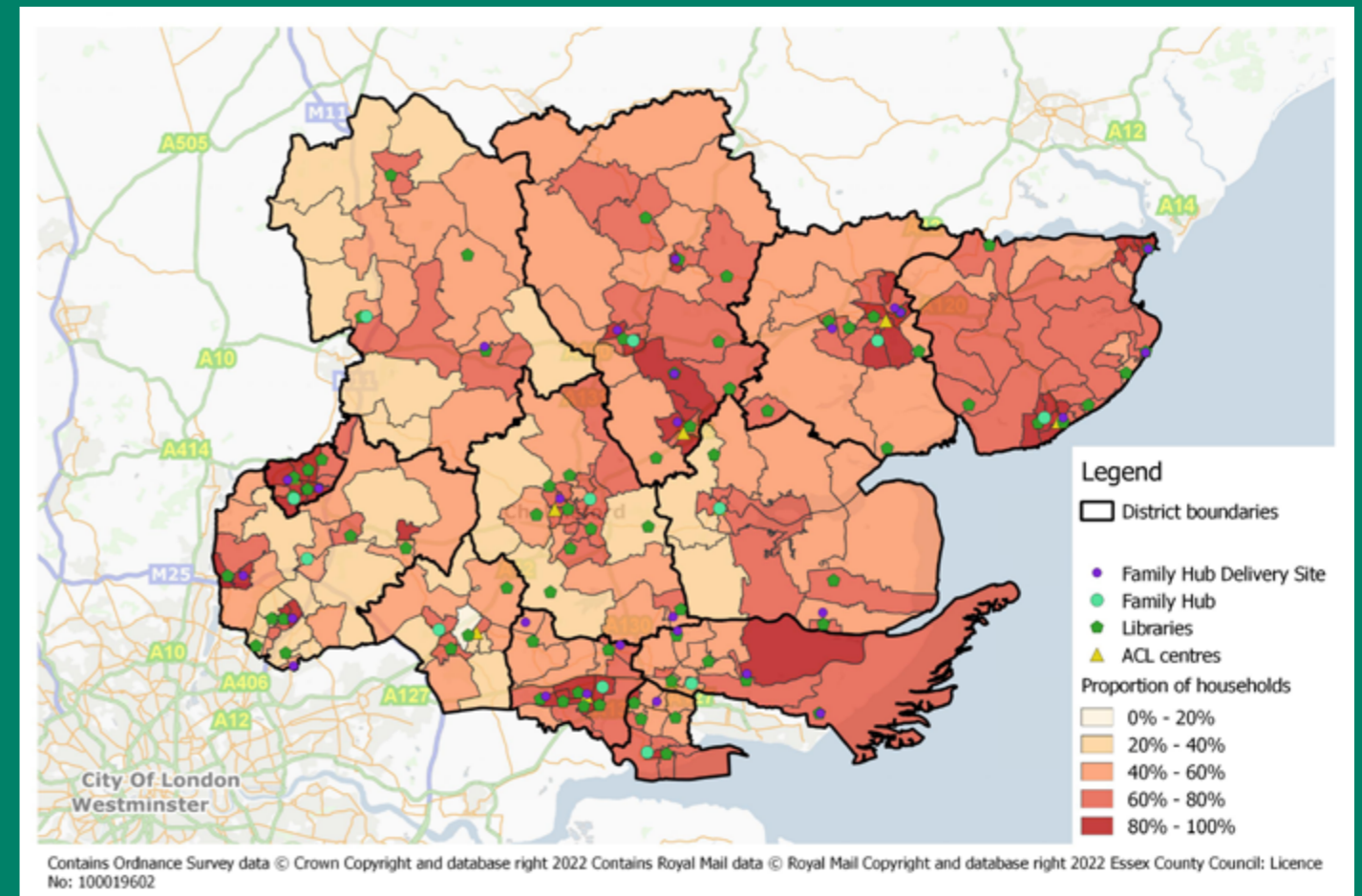
Our response will particularly take into account the needs of these places and people.

² By 'discretionary income' we mean the money that households have left over after they have covered their unavoidable costs.

IMPACT ON PLACES

% OF HOUSEHOLDS WITH LOW LEVEL OF DISCRETIONARY INCOME

Proportion of households moving into low discretionary income (<£125 p/m) due to inflation



THREE PILLARS

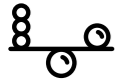
OUR APPROACH TO TACKLING THE COST OF LIVING CHALLENGE IS BASED ON THREE PILLARS

The cost of living challenge raises urgent issues that need to be addressed in the short-term, but also intensifies some of the challenges we were all already confronting – that is why we need a response that also delivers greater resilience for the medium and long-term. Our approach is based on three pillars.



1. RESPONSE

We know that people are struggling right now. We are providing a short-term crisis response that can be delivered quickly and that will help people with the most pressing needs. This paper is an articulation of this pillar.



2. RESILIENCE

By and large we want to make sure that as far as possible our residents and communities are resilient and able to support themselves to withstand future pressures. This pillar will be delivered through the choices we make as part of our budget and service provision to support the independence that is necessary for people to flourish rather than to create dependency.



3. ROOT CAUSES

We recognise that over the long-term, economic prosperity is the key to enabling people to live fulfilling lives. Essex is not an island and we cannot avoid the impacts of wider economic forces on our communities but we can focus on supporting our businesses to drive economic growth and target our attention through our levelling up work on those places and people that need most support. This pillar is delivered through our long-term political priorities, set out in Everyone’s Essex.

TO FULFIL THIS APPROACH AND RESPOND TO THE SHORT-TERM CHALLENGES WE HAVE A SIX POINT PLAN TO SUPPORT RESIDENTS

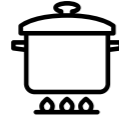
- 1. Support with the provision of essentials** – during the course of the year, with help from DWP, we will make more than £18.8m of support available for those with essential needs.
- 2. Keeping warm** – working with community organisations, we are providing targeted advice and support to those most at risk from living in a cold home.
- 3. Eating well** – through our programmes we are supporting healthy and free meals for children from families on low incomes during school holidays and providing advice and education on cooking healthy meals.
- 4. Money management** – we are developing money management tools and advice to support families to make their budgets go further.
- 5. Information, Advice, Guidance** – we are investing in additional capacity and resources to provide information to enable people to make informed decisions that can help to reduce their bills.
- 6. Wellbeing** – we are continuing to work with communities, organisations and partners to improve the wellbeing and health of local people. We will seek to expand and find new ways to work together to build resilience and self-reliance.

In some cases, the Council will be providing this support directly, for example through the Essential Living Fund or through the Essex Activate Holiday and Food Programme. In other cases, we will be providing support through partners like Citizens Advice that are on the front line of supporting people on cost of living issues. The section below sets out current and new projects in delivery under the six themes.

Our work in this space will evolve as we progress. We will update the projects and review delivery, making changes where needed.

SIX POINT PLAN

1. SUPPORT THE PROVISION OF ESSENTIALS



Household Support Fund – we have already received £9.4m from the Department for Work and Pensions (DWP) to provide essential support to households across Essex. We expect to receive a further £9.4m in October to continue that support until the end of the year, with a focus on essential items and targeted assistance with energy needs over the winter months.

In the last six months, from this fund, we have allocated:

- £4.2m for the provision of food vouchers for children during school holidays
- £3.2m to support pensioner households that are reliant on means tested benefits
- £1.3m to the **Essential Living Fund** that provides general living expenses, furniture, household furnishings, white goods, clothing and other essential goods for people on low incomes
- £482,000 for support for unpaid carers, vulnerable adults and targeted family support delivered through locally trusted voluntary and community sector organisations and foodbanks to support children and their families.

Going forward, we expect to be able to announce the detailed allocations of the new support, in line with government guidance, ahead of a summit with partners in early November.

2. KEEPING WARM

• Sustainable Warmth Programme



- from October, working with district, borough, and city partners, Essex has secured over £17m to be invested through the South East Energy Hub to support up to £10,000 of work per household to improve home energy efficiency. It is targeted at home owners with low energy efficient homes who have household incomes below £30,000. And we have secured a further £2.5m to be directed towards social housing providers to also make energy efficiency updates to premises.

- **Warm Homes Grant** – around £600,000 of funding is available through to March 2024 to provide personalised and intensive support to residents to maximise the energy efficiency of their home.
- **Community Winter Warmth and Welcome Programme** – we will be working with partners, community organisations and using our services to provide local and accessible places for winter warmth over the coming months. This will include a grant scheme to enable community groups to access small grants to put on activities.

3. EATING WELL



• Essex ActivAte Holiday Activity and Food Programme

- The Active Essex Foundation has led over 450 hours of Holiday Hunger programmes to over 2,000 families since its initial launch in Summer 2019. The programme provides families with a healthy meal, activity sessions and education on the importance of eating well and moving more. We are continuing our commitment to invest in the programme over the coming two years. This will ensure more children can take part and will enable Active Essex to provide a half term offer as well.
- **Community Food Support groups/ organisations** – through the Household Support Fund, we have supported local foodbanks and other food support groups and organisations, helping them to increase the provision of food to meet demand and we will be keeping the need for additional support for foodbanks under review over the next weeks and months.
- **Slow cooker clubs** – we are supporting the setting up of slow cooker clubs in all the districts in Essex to give more residents access to the equipment and skills to cook low-cost meals.
- **Community supermarkets** – we are investing up to £500,000 to establish community supermarkets in Essex. The first two supermarkets will be opened over the coming months in Clacton and Basildon and will give residents access to cheaper food.

Based on their success, we will review whether the scheme should be expanded to every council area in Essex, starting with the six priority levelling up areas.

4. MONEY MANAGEMENT



- **Essex Multiply** – ‘Multiply’ is a new £7.9m initiative that will offer over 14,000 Essex residents easy access to free maths and finance training. One of the priority areas for the scheme, which will run over the next three years, will be numeracy training to support people with their financial management.
- **Working Well** – we are delivering a range of free financial wellness sessions to Essex businesses and employers to support employees in being able to better manage their money and build financial confidence.
- **Financial wellbeing coaches** – we are piloting coaches in a number of areas across Essex to support 1,000 working families to manage their finances and increase their resilience to future challenges. We will evaluate the pilot and consider whether it can be of wider benefit in due course. We are also collaborating with HSBC to put on a series of free expert-led webinars and health checks to help people manage cost of living pressures on their household budgets.
- **Financial Support Tools** – we are exploring the development of tools and services to provide help and information to job seekers and benefit claimants to enable them to optimise their decisions with a view to maximising their household income.

5. INFORMATION, ADVICE AND GUIDANCE



- **Citizens Advice** – we have invested £120,000 in the Citizens Advice network in Essex this year to assist them in supporting residents with information and advice through the cost of living challenges. Citizens Advice forecast that the demand for their services will have increased by nearly 60% this year as a result of cost of living pressures.
- **Legal advice** – we have invested £50,000 in a partnership with Central Law Community

Interest Company to support the provision of free legal advice on housing law, employment law, family law and consumer law.

- **Priority Service Register** – we have entered into partnership with UK Power Networks (UKPN). The Priority Service Register is a database that they hold that means that vulnerable customers are supported quickly should there be any power disruptions. With UKPN we will be working to increase registrations on the PSR so that Essex residents’ who most need support are able to access it quickly.

6. WELLBEING



- **Essex Wellbeing Service** – we have invested £6m in the Essex Wellbeing Service to support residents across a range of wellbeing issues, including help with day to day needs. These needs will inevitably increase as a result of cost of living pressures and the Essex Wellbeing Service will play a valuable role in helping to build more resilient households and communities.
- **United in Kind** – United in Kind is a digital social movement, that the County Council supports through part of our £6m Lifestyles Contract directed at addressing social isolation. United in Kind is led by and in communities, helping to foster neighbourliness and acts of kindness. It is focused on helping people to connect and to feel part of a community. We know that cost of living pressures may reduce people’s opportunities to connect and United in Kind will help to counter-act this.
- **Getting around** – we recognise that increasing costs of fuel may make it challenging for people to get out and about and we have a number of schemes in place to support people to access lower cost transport – including free bus passes for disabled residents over 60; support for car sharing schemes to and from work; Essex Pedal Power which is distributing free bicycles in various locations; E-scooters which we are currently piloting; School streets and a range of walking and cycling initiatives to help people leave their car at home; and we are extending DigiGo electric demand response minibuses.

NEXT STEPS

WE WILL CONTINUE TO DEVELOP OUR RESPONSE IN THE RUN UP TO WINTER AND IN THE LIGHT OF THE GOVERNMENT'S ANNOUNCEMENTS AND CHANGING ECONOMIC CONDITIONS

As the government announces new support, we will update our response to make clear how any new funding is being utilised.

We will work with our community partners and ensure that measures put in place are relevant to people's needs and can be accessed.

In November, we are hosting partners to bring together public service agencies in Essex with the aim of working collaboratively and ensuring support is complementary.

We will be increasing our investment in specialist advice services in anticipation of forthcoming increased demand and will support people's planning not only in response to short-term pressures but also to secure resilience into the future.

We will be publishing an update on our work on Levelling Up at the end of the year - part of our long-term response to the conditions that intensify the effects of the cost of living challenge.

And we will continue to make sure that key services are available to provide support to those residents and communities who are most in need.

For more information about our ongoing support through the cost of living crisis, visit:

www.essex.gov.uk/news/cost-of-living

WE WILL WORK WITH OUR COMMUNITY PARTNERS AND WILL ENSURE THAT MEASURES PUT IN PLACE ARE RELEVANT TO PEOPLE'S NEEDS AND CAN BE ACCESSED



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Published September 2022