



**Rochford District  
Council**

<b>REPORT TITLE:</b>	<b>Cost of Living Payments to Residents</b>
<b>REPORT OF:</b>	<b>Tim Willis, Interim Director of Resources</b>

## **REPORT SUMMARY**

This report highlights a recommendation from Council of 21 February 2023, as follows:

“That the Overview and Scrutiny Committee sets up a time limited working group to determine whether payments should be made to residents within the district affected by the cost of living crisis including: to whom, how, sources of funding and financial amounts.”

The report proposes the terms of reference for such a working group.

## **RECOMMENDATIONS**

That the Committee creates a Working Group as set out in the report and makes nominations for membership of the group.

## **SUPPORTING INFORMATION**

### **1.0 REASONS FOR RECOMMENDATIONS**

1.1 The recommendation reflects the motion from Council of 21 February 2023.

### **2.0 OTHER OPTIONS CONSIDERED**

2.1 None.

### **3.0 BACKGROUND INFORMATION**

3.1 Arising from debate at Council when considering the 2023/24 Budget and Medium Term Financial Strategy (MTFS), Council approved a motion as follows:

“That the Overview and Scrutiny Committee sets up a time limited Working Group to determine whether payments should be made to residents within the

district affected by the cost of living crisis including: to whom, how, sources of funding and financial amounts.”

- 3.2 There already exists a Cost of Living Working Group, comprising Council officers and representatives from partner organisations. This group may well be a consultee of the O&S Working Group, but its terms of reference are not such that it could take on the work arising from the Council recommendation.
- 3.3 The Council resolution was for the O&S Committee to set up the Working Group, and for the Working Group to decide whether or not to make payments to residents affected by the cost of living crisis. If such payments were proposed, the Working Group should propose the value of payments; how they are calculated; who should receive them and how the cost should be funded.
- 3.4 The suggested terms of reference for the Working Group are attached as Appendix A. O&S Committee may wish to vary them, but the Committee is requested to make nominations to sit on the Working Group.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The cost of servicing the meetings of the Working Group will be contained within existing resources, but research and report writing for the Working Group may require additional resources. Any proposals arising from the Working Group that have a cost will also identify a proposed funding source. There exists no budget at this stage for payments to residents, bearing in mind the Council's Council Tax Support scheme provides discounts on Council Tax to eligible residents.
- 4.2 Any recommendations from the Working Group will need to be specified as to either one-off payments or ongoing (i.e. spanning future years). An ongoing commitment would increase the size of the Budget gap and require ongoing savings beyond those already identified in the MTFs, in addition to the cost of any payments in 2023/24.
- 4.3 The Working Group should consider the practicalities of implementing a discretionary payment scheme. Only a limited amount of information is held by the Council as to the income of individual residents, which will present challenges as to eligibility. Also, individual circumstances change, so a resident may be eligible in one month, but then become ineligible the next month.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 Any proposals arising from the Working Group will need to be assessed as to their legality. Any changes to the Council Tax Support scheme itself would require consultation with residents and preceptors and would only be possible to be considered annually, when the Council Tax Support scheme is approved around February each year.

**6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

6.1 The cost of servicing the meetings of the Working Group will be contained within existing resources, but research and report writing may require additional resources. The implementation of a payment scheme would be likely to have additional costs related to staffing and systems.

**7.0 RELEVANT RISKS**

7.1 If the Working Group recommendations are to make payments to residents and they are implemented, there is a risk that funding for those payments, and associated administration thereon, will be at the expense of Council services. The criteria for payments may involve an element of judgement and so certain categories of residents may not be eligible, creating a sense of unfairness. Recommendations should also be mindful of how any proposed payments interact with Council Tax, e.g., a payment linked to Council Tax would be problematic if the recipient was already in receipt of a 100% discount through Council Tax Support.

**8.0 ENGAGEMENT/CONSULTATION**

8.1 None.

**9.0 EQUALITY IMPLICATIONS**

9.1 The intention of the Council resolution was to try to devise a system of payments to residents affected by the cost of living crisis, and so (by implication) help financially those residents most in need. Any proposed scheme would need to have an equalities impact assessment to ensure that no resident or group of residents were unfairly discriminated against because of their protected characteristics.

**10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

10.1 None.

**APPENDICES**

Appendix A: Proposed Terms of Reference

<b>REPORT AUTHOR:</b>	<b>Name:</b>	<b>Tim Willis</b>
	<b>Title:</b>	<b>Interim Director of Resources</b>
	<b>Phone:</b>	<b>01277 312500</b>
	<b>Email:</b>	<b>tim.willis@brentwood.rochford.gov.uk</b>

**APPENDIX A**

**WORKING GROUP: PROPOSED TERMS OF REFERENCE**

**Purpose**

To determine whether payments should be made to residents within the district affected by the cost of living crisis including: to whom, how, sources of funding and financial amounts.

**Membership**

Five nominees by the Overview & Scrutiny Committee.

Quorum of three.

**Meeting frequency**

To be determined by the Working Group.

**Meeting business and decision making**

Papers will be requested and reports produced to aid discussion. Research and reports may be completed by officers or members. The volume of work generated should be mindful of the limited resources available.

Decisions will be arrived at by consensus.

**Reporting to Overview & Scrutiny Committee**

Regular verbal progress updates to the Committee.

A final report to be completed for presentation to the Overview & Scrutiny Committee by October 2023.