

Policy and Sustainability Committee

10am, Tuesday, 30 August 2022

Council Budget 2022/23 – Poverty reduction and climate emergency measures

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Policy and Sustainability Committee:
 - 1.1.1 Note the progress made to date in delivery of additional poverty and cost of living support measures agreed in the 2022/23 Council Revenue Budget.
 - 1.1.2 Note that further options on measures to support families with the rising cost of living were considered by Council on 25th August,
 - 1.1.3 Note that an annual report on progress towards delivery of all actions included within the Council's End Poverty in Edinburgh Delivery Plan will be considered by committee in November 2022, and
 - 1.1.4 Note the progress made to date in delivery of resources allocated in the 2022/23 budget for climate emergency measures.

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Council Budget 2022/23 – Poverty reduction and climate emergency measures

2. Executive Summary

- 2.1 This report provides an update on progress of delivery of specific actions and resources agreed in the Council's 2022/23 budget for poverty reduction and to address the climate emergency.
- 2.2 Measures for poverty reduction included the allocation of £7.535m of additional funds in actions towards easing the effects of the cost of living crisis for low income households in Edinburgh.
- 2.3 As at July 2022 delivery of these measures have included a total of 40,109 direct cash payments to at least 31,900 low income households and over 8,100 children, at a total cost of £5.6m. The allocation also allows for an additional £750,000 in crisis grant funds during this financial year, £100,000 in crisis payments for families struggling with energy costs, £300,000 to support projects in Edinburgh providing emergency food support, and funding for provision of family support and income maximisation services in schools across Edinburgh.
- 2.4 An assessment of the impact of this investment, alongside other measures agreed by Council to address the cost of living crisis will be considered as part of the annual End Poverty in Edinburgh progress report due to be considered by committee in November 2022.
- 2.5 The 2022/23 Council budget also included £1.89m allocated to one off measures which will contribute to making Edinburgh a more sustainable city.
- 2.6 This package includes £500,000 to develop net zero community pilots; £1,000,000 for road and pavement maintenance to improve movement around the city; £130,000 for food growing provision in the city; £200,000 invested in Energy for Edinburgh, the Council's publicly owned energy service company; and £60,000 for Pentland Park rangers.

3. Background

- 3.1 The Council's revenue budget 2022/23 made specific allocations for a number of measures designed to address the climate emergency, and to provide support to people in Edinburgh experiencing difficulty related to the rising cost of living.

- 3.2 On 7th June 2022 a motion to the Policy and Sustainability Committee requested a report within 1 cycle on the delivery of these measures. This report provides an update on progress in delivery of the specific allocations noted above.
- 3.3 On 30th June an additional motion requested a report for consideration by Council on 25th August outlining options for further financial support actions which could be taken by the Council to assist low and middle income households with the rising cost of living.
- 3.4 A full annual report on all actions outlined in the Council's End Poverty Delivery Plan is in preparation by officers and will be presented for scrutiny by the Policy and Sustainability Committee in November 2022.
- 3.5 An update on the 2030 Climate strategy and the Council's Emissions Reduction Plan will also be considered by the Policy & Sustainability Committee in November 2022.

4. Main report

Poverty reduction measures

- 4.1 The Council Revenue Budget for 2022/23 included £7.535m of additional one off funds allocated to ease the effects of the cost of living crisis for low income citizens in Edinburgh.
- 4.2 A full breakdown of this expenditure is provided in Appendix 1 to this paper but, in summary, the allocation allowed for:
 - 4.2.1 **Direct cash payments made to low-income families in Edinburgh.**

These included two schemes of payment - a direct one-off payment of £150 to households in receipt of support through the Council Tax Reduction Scheme (CTRS), and a separate payment of £100 to families in Edinburgh for every child in receipt of free school meals payments. Through these two schemes, for instance, a low-income family with 2 children could expect to receive combined one-off payments to the value of £350. As at July 2022 total of 40,109 payments have been made through these schemes, supporting at least 31,900 households and over 8,100 children, at a total cost of £5.6m.
 - 4.2.2 **Additional funds for Scottish Welfare Fund and other Council administered crisis grant schemes.** A total of £750,000 additional funds has been made available to provide immediate financial support for people in food, energy or other cost of living crisis in Edinburgh. This investment provides the capacity needed to ensure that Edinburgh's Scottish Welfare Fund programme can meet demand throughout this financial year, ensure accessibility, and maintain high claim acceptance rates for people in need of support. Alongside existing budgets for crisis support, a total of over 5,600 crisis grant payments have been made to people in need in Edinburgh since April 2022, at a total value of over £1.3m.

- 4.2.3 **Additional grant funds to support families experiencing difficulty with energy costs.** A total of £100,000 of funding was provided to Home Energy Scotland to fund payment of energy crisis grants to low-income households in Edinburgh. As at end of June 2022 a total of 32 payments have been made through this scheme to date, accounting for 22% of the total scheme value with an average payment of £700 per household supported.
- 4.2.4 **Additional capacity for family support and income maximisation advice.** An investment of £300,000 has allowed the commissioning for 2022/23 of the Maximise! family support and income maximisation service. This funding allows the service to remain accessible to families through 118 schools across Edinburgh and provides capacity for 1,500 individual advice appointments per annum. Average financial gains through the programme are estimated at £1,300 per family supported.
- 4.2.5 **Additional support for people in food crisis or poverty related hunger.** An allocation of £300,000 has been made to provide dignified direct food support for people in food crisis. This includes support for food banks, food pantries, community food groups, and food support for families in B&Bs or other temporary accommodation.
- 4.2.6 **Additional support for people in or at risk of Council Tax arrears.** An investment of £100,000 has been made in development of a pilot project to prevent households from falling into Council Tax arrears. As at July 2022 a business case for the project has been approved and development of a project team is underway.

Climate emergency measures

- 4.3 The delivery of actions to meet the Council's net zero ambition is driven by core and committed budgets designed to deliver change throughout this decade. These include investments outlined within the Council's Sustainable Capital Budget Strategy 2022-2032 (which incorporates £300m of investment in tackling climate change), and the Council's Housing Revenue Account Budget Strategy (which includes an estimated £233m to fund Passivhaus requirements for new build homes and £270m on retrofit of existing homes).
- 4.4 Alongside these long term commitments, the 2022/23 Council budget also allocated an additional £1.89m of one off funding measures to be delivered during this financial year to help make Edinburgh a more sustainable city.
- 4.5 Activity undertaken as a result of this allocation includes:
- 4.5.1 **£500,000 to develop net zero community pilots.** The Council is leading on the development and delivery of net zero community pilots based in geographies with different demographic profiles and community capacity. The pilots will be collaborations between property owners to scope a scalable approach to retrofitting private housing using models that focus on community empowerment and supporting a just transition to net zero.

- 4.5.2 Confirmed spend to date on this project has been just over £100,000. This includes the commissioning of Dark Matter Labs (DML) to serve as experts as part of the programme team to build the evidence for new approaches to retrofit align city level investment with local spaces and communities. It also includes the commissioning of Changeworks to support the programme through research capacity, data analysis and visualisation, and community engagement activity.
- 4.5.3 Next steps planned for the project include the commissioning of Bankers without Boundaries (BwB) to provide business case assessment for the development of a net zero community demonstrator.
- 4.5.4 Originally £110k of the budget was committed to two one-year fixed term contract posts to support the programme. However, recruitment issues have been encountered for these posts for this period and alternative options are being reviewed to help resolve these resourcing issues.
- 4.5.5 **£1,000,000 for road and pavement maintenance to improve movement around the city.** This investment aims to visibly improve the condition of roads and pavements across the city, increasing pedestrian safety, supporting residents to shift to active travel. The package of funding includes £450,000 in permanent patching repairs across 10,000m² of carriageways across the city (for which contracts to a value of £170,000 have already been issued); £300,000 to carry out footpath resurfacing across the city; and, £250,000 for traffic signal infrastructure improvements for which works are due to commence in October 2022 with all sites completed by April 2023.
- 4.5.6 **£130,000 for food growing provision in the city.** In agreement with the Council's Sustainability Champion in April 2022, £22,270 of this budget has been allocated as match funding for Edible Edinburgh's Sustainable Food Co-ordinator post. This match funding has successfully levered external funding through an additional £10,000 award from the Sustainable Food Places Network under their Co-ordinator Support scheme. A proposed approach to the remaining allocation of this spend is presented in a separate report to this Committee (Sustainable Food Update).
- 4.5.7 **£200,000 for heat and energy projects.** This investment aims to explore the role of Energy for Edinburgh and identify initial project activity so the ESCO can begin to deliver heat and energy solutions for the city. Progress against this project will be dependent upon current Council capacity to deliver and reported to Council in due course.
- 4.5.8 **£60,000 to employ additional Pentland Park Rangers.** Park Rangers have a key role to play in protecting and enhancing biodiversity in the Pentlands Hills regional park. Two new full-time Park Rangers have now been recruited and are in post since mid-June 2022, on a one year fixed-term contract.

5. Next Steps

- 5.1 Next steps in delivery of the programmes outlined in this report include:

- 5.1.1 Continued delivery of direct cash payments to low-income households where new claimants of CTRS and free school meals have eligibility backdated to 1st April 2022.
 - 5.1.2 Continued delivery of crisis fund, energy crisis grants, and emergency food support schemes using additional capacity provided by allocations included in the 2022/23 Council Revenue Budget.
 - 5.1.3 Continued delivery of the Maximise! family support and advice programme.
 - 5.1.4 Roll out of the pilot programme for prevention of Council Tax arrears, with a final report on findings to be prepared in Spring 2023.
- 5.2 In parallel with this programme, additional work is underway with Edinburgh Partnership members to identify and agree further actions to support low and middle-income households with the rising cost of living. A report on this work programme was considered by the City of Edinburgh Council on 25 August 2022.
- 5.3 Poverty measures outlined in this report form part of the Council's End Poverty in Edinburgh Delivery Plan programme. An annual report on progress towards delivery of this plan will be prepared for scrutiny by the Policy and Sustainability Committee in November 2022. This report will include assessment of the impact of these investments, and those agreed by Council on 25th August 2022.
- 5.4 An update on the 2030 Climate strategy and the Council's Emissions Reduction Plan will be brought to Policy & Sustainability Committee in November 2022.

6. Financial impact

- 6.1 This report provides an update on progress towards delivery of budget allocations made in the 2022/23 Council Revenue Budget.

7. Stakeholder/Community Impact

- 7.1 Delivery of actions outlined in this report are being delivered in partnership with stakeholders and community groups including income maximisation advice providers, energy advice providers, food banks and community food projects.
- 7.2 An Integrated Impact Assessment (IIA) has been undertaken for the 2030 Climate Strategy and it is envisioned further IIAs will be commissioned as appropriate for individual programmes and projects as key strategic actions are taken forward.

8. Background reading/external references

- 8.1 [Motion by the SNP and Green Groups, Item 7.1 – Future Policy Agenda – presentation by the Chief Executive, Policy and Sustainability Committee, 7 June 2022.](#)

9. Appendices

Appendix 1 – Council Budget 2022/23 – cost of living allocations

Appendix 1 – Council Budget 2022/23: cost of living allocations

Allocation of Scottish Government funding to support businesses and low income households			
Scheme	Value of Payment	Number of payments	Spend
CTRS additional payment	£150	31,935	£ 4,790,250
FSM additional payment	£100	8,174	£ 817,400
Additional Crisis Grant funds	n/a	n/a	£ 450,000
Total spend as at July 2022			£ 6,057,650
Total Budget			£ 6,435,000
Balance as at July 2022*			£ 377,350

*-outstanding balance on this allocation is earmarked to fund future payments to CTRS/FSM recipients whose new claims are backdated to 1st April 2022.

Allocation of additional City of Edinburgh Council funds to address the cost of living crisis	
Scheme	Spend
Family support and income max advice	£300,000
Proactive support for people in council tax arrears	£100,000
Energy advice programmes	£100,000
Additional crisis grant funds	£300,000
Food crisis support	£300,000
Total	£1,100,000