
To: Fairer Renfrewshire Sub-Committee

On: 31st May 2023

Report by: Chief Executive

Heading: Fairer Renfrewshire Programme Update

1. Summary

- 1.1. This paper provides an overview of key context and evidence around current pressures on household finances, both in terms of household income and expenditure. These regular updates are provided to the Fairer Renfrewshire Sub-Committee to provide a snapshot of recent changes in economic factors, policy and supports, which have a significant effect on the pockets of Renfrewshire residents.
- 1.2. Since the Fairer Renfrewshire Sub-Committee last met in March, key updates include:
- On 24 May 2023, it was confirmed that the UK's inflation rate fell to 8.7% in April 2023, which is the first dip in the inflation rate below 10% since August last year, although food costs remain 19.1% higher than one year ago.
 - In response to continued inflationary pressures, the Bank of England has increased the interest rate by a quarter of a percentage point twice since the last Sub-Committee, and the base rate is now 4.5%.
 - Recent projections anticipate a stabilisation in the energy market over the coming months, with the price cap set to fall below the rate of the Energy Price Guarantee which is due to end at the end of June.
- 1.3. The paper also provides an update on activities to progress priorities of the Fairer Renfrewshire Programme.
- 1.4. Key priorities for the Fairer Renfrewshire Programme for March 2023-June 2023 are as follows:
- Development of the poverty and participation test of change, working alongside the newly established lived experience panel to develop recommendations and the shape of future work

- Developing and delivering budget investments including holiday activities and winter school clothing grant
- Producing Renfrewshire's Local Child Poverty Action Report
- Commencing a 'deep dive' data exercise around child poverty as a Community Planning Partnership, focussing on the six priority family groups
- Establishing the Fair Food Renfrewshire partnership, using the Sustainable Food Places toolkit
- Continuing the evaluation of projects within Tackling Poverty Programme and exploring future options with services around required priorities going forward
- Delivery of the remaining Winter Connections programme, and associated evaluation of the programme.

1.5. This paper provides a progress update for priorities listed above, with additional agenda items providing further detail on the 'deep dive' data exercise, the evaluation of the Winter Connections programme and the plans for holiday activity provision for the Summer 2023 period.

2. Recommendations

2.1 It is recommended that members of the Fairer Renfrewshire Sub-Committee:

- Note the content of the report

3. Background

3.1. In March 2021, Council considered the initial findings from a community impact assessment that had been undertaken across Renfrewshire, in order to develop a deeper understanding of the impact of COVID-19 on local people and communities. This provided strong evidence that the pandemic has impacted some people and communities more profoundly than others.

3.2. The starting point of local people in terms of the inequalities or challenges that they faced before the pandemic has been important, with issues such as low income, insecure employment, caring responsibilities and disabilities all being exacerbated by the pandemic and its associated restrictions. The community impact assessment process also identified a requirement to continue to listen and learn to the experiences of local people, recognising that the impacts of the pandemic may emerge over time.

3.3. In the report in March 2021, an initial Social Renewal Plan was approved by Council. The plan set out the high-level actions that the Council and partners will take as we move forward from the pandemic with a clear focus on tackling inequality and improving wellbeing.

3.4. Officers worked to bring all of these strands of activity together, and following an initial assessment have identified a number of actions which should be progressed by partners as a priority during 2021-22. Income, poverty and financial insecurity are issues identified as a key

priority for the plan as a result of financial pressures households were facing during the pandemic, and this is likely to require a sustained focus due to the ongoing cost-of-living crisis.

- 3.5. The Fairer Renfrewshire Programme brings together a number of existing programmes of work focussed on achieving fairness and equity, including the Tackling Poverty Programme and Alcohol and Drugs Change Programme. These programmes are being brought together alongside the Council's Social Renewal Plan, mapping a fairer future for Renfrewshire's residents through the Covid-19 pandemic, as well as the ongoing cost-of-living crisis.
- 3.6. There are four key emerging themes which are shared across all elements of the Fairer Renfrewshire programme, and these are:
- Improving financial security
 - Advancing equality of opportunity
 - Building community capacity and resilience
 - Listening to lived experience
- 3.7. Key priorities for the Fairer Renfrewshire Programme for March-June 2023 are as follows:
- Development of the poverty and participation test of change, working alongside the newly established lived experience panel to develop recommendations and the shape of future work
 - Developing and delivering budget investments including holiday activities and winter school clothing grant
 - Producing Renfrewshire's Local Child Poverty Action Report
 - Commencing a 'deep dive' data exercise around child poverty as a Community Planning Partnership, focussing on the six priority family groups
 - Establishing the Fair Food Renfrewshire partnership, using the Sustainable Food Places toolkit
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 - Delivery of the remaining Winter Connections programme, and associated evaluation of the programme.
- 3.8. This paper provides a progress update for all of the priorities listed above. An additional paper detailing the Winter Connections Programme evaluation is included on the agenda also.

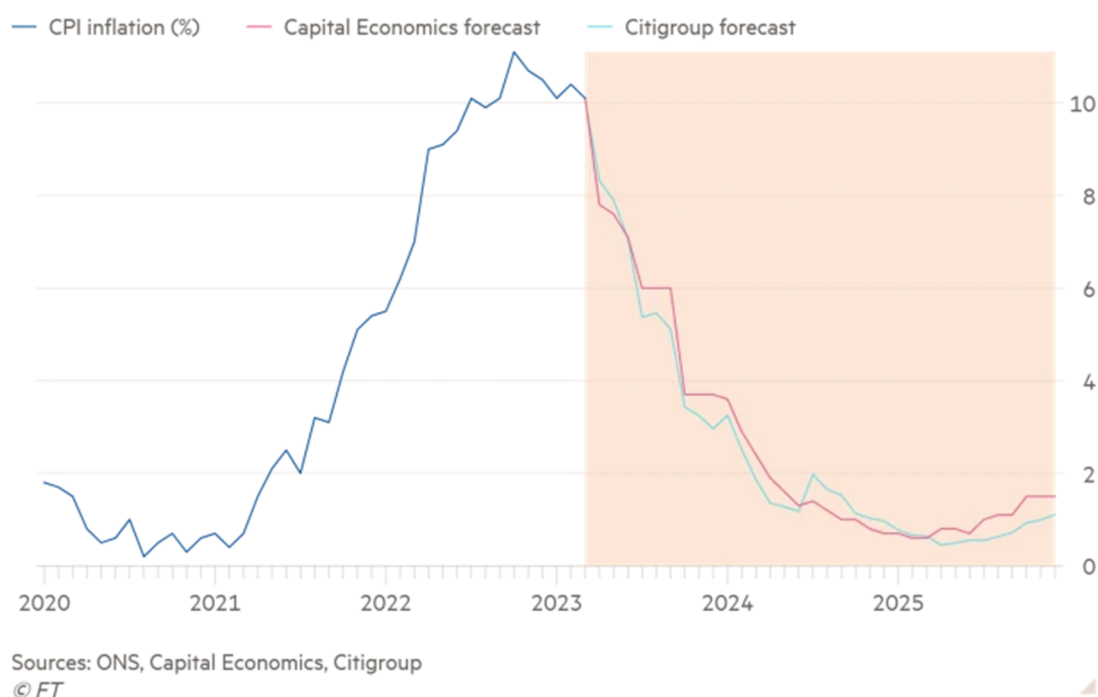
4. Cost of living update

Inflation rate

- 4.1. It was reported at the Fairer Ren Sub-Committee in March that the rate of inflation had fallen to 10.1% (January 23), after reaching a high of 11.1% in October. The inflation rate increased to 10.4% (March 23), with an unexpected jump following a surge in food prices, and then resumed its downward trajectory.

- 4.2. On 24 May 2023, it was confirmed that the UK's inflation rate fell to 8.7% in April 2023, which is the first dip in the inflation rate below 10% since August last year. As elected members will be aware, a reducing or slower rate of inflation does not mean that prices are necessarily falling, only that the overall increase in prices is slowing. The ONS have confirmed this, noting that food costs remain 19.1% higher than one year ago, with the core reason for the drop in inflation being attributed to a slowing in terms of energy bill price increases (compared to one year ago).
- 4.3. It is predicted that inflation will fall quickly in the rest of 2023, largely driven by the fall in gas and electricity prices, with wholesale gas prices falling almost 85% since their peak last August.

UK inflation is expected to fall quickly in the rest of 2023



- 4.4. Which? analysed Office for National Statistics (ONS) data and found that different household types and income groups experienced different levels of inflation last year. Households on the lowest incomes experienced much steeper increases in inflation in 2022, peaking at an estimated 11.5% in October 2022. This was almost 3% higher than the estimated inflation rate for the highest income group (8.6%), and Which? has estimated that this is the largest gap in terms of the impact of inflation on household income between income groups since its inflation estimates began in 2016.
- 4.5. In response to higher-than-expected UK inflation, the Bank of England raised interest rates by a quarter of a percentage point to 4.25% on 23rd March 2023, and then a further quarter point on 11th May 2023. The base rate is currently 4.5% at the time of writing this report. Market expectations have risen over the past month and markets are now expecting rates to peak at either 4.75% or 5% this year.

Energy prices

- 4.6. The energy regulator Ofgem announced that its quarterly cap on household bills for average dual-fuel direct-debit customers will fall by around 23% from £4,279 for the January to March quarter to £3,280 from 1 April. The UK Government's Energy Price Guarantee, which limits the maximum costs of energy, will be kept at £2,500 from 1st April, to the end of June: a three month extension.
- 4.7. It is predicted the Energy Price Cap will fall below the level of the Energy Price Guarantee in July, which would mean the increase in the Energy Price Guarantee would not impact on bills as households pay whichever is the lower of these two rates. The current prediction by Cornwall Insight is that the Energy Price Cap will fall to £2,063/year for the period 1 July 2023 – September 2023.
- 4.8. Cornwall Insight forecast the price cap to be £2,098 for October-December 2023 and £2,162 from January 2023 - March 2024. While this represents a stabilisation in energy bills, this represents a significant increase on price cap levels prior to the surge in pricing. The cap was set at £1,138 in April 2021.
- 4.9. It is possible that this stabilisation in energy prices will result in an increase of fixed rate deals entering the market. This return to a competitive energy market could allow consumers added certainty and control over household bills, although there remains a risk that customers could pay more than the market rate if the energy cap continues to fall.

Housing costs

- 4.10. An estimated 700,000 UK households missed or defaulted on a rent or mortgage payment last month, according to the consumer body Which?. The report estimates that 2 million households missed or defaulted on at least one mortgage, rent, loan, credit card or bill payment in April – in line with this time last year, but higher than in 2021 and 2020. 59% of those surveyed reported making at least one 'adjustment' in order to cover essential spending last month – such as cutting back on essentials, dipping into savings, selling possessions or borrowing.
- 4.11. There are 2.2 million people on a variable rate mortgage. A household with a tracker mortgage currently at 5.25% will see their pay rate rise to 5.5%. This would result in a £21 rise in monthly payments from £1,011 to £1,032, in the case of a £150,000 mortgage with 20 years remaining. While the increase is modest, as recently as last June that same household would be paying £776 a month, equivalent to a £3,000 annual increase.

5. Fairer Renfrewshire Programme Update

Advice services in Renfrewshire

- 5.1 Further to previous updates, the new Schools Advice Service will commence in June 2023. This service will be provided by Renfrewshire Citizens Advice Bureau across all secondary schools in Renfrewshire including Additional Support Needs settings. This service will be promoted

throughout June, with officers working to promote across schools at the end of term as a soft pilot of the service.

- 5.2 Initially, advice workers will be embedded within school settings on a rota basis, but this will be kept under review and a flexible approach will be taken to make sure that the service is well-used. Clients will also be able to book appointments online, where they will have the choice to meet in the school location or elsewhere.
- 5.3 Referrals can be received by pupils over 16, the parent/carer of any pupils, school staff on behalf of families or schools staff themselves.
- 5.4 Complementary to this, work is underway to launch the family advice service within Advice Works.
- 5.5 Recognising the impact of dedicated income maximisation support for families with children, officers have undertaken work to redesign current advice provision for families to increase the capacity and reach of our advice services, and it was agreed by Leadership Board in April 2023 that a new dedicated family advice service is established within Advice Works, providing a team of income advisors who would develop relationships and pro-active referral routes with Council services and partners. This would include:
- existing services and referrals routes for families such as Healthier Wealthier Children and Families First
 - key emerging policy and service areas focussed on holistic support for families such as Parental Employability and Whole Family Wellbeing
 - early years and primary school settings, complementary to the advice service for secondary schools being designed with Renfrewshire Citizens Advice Bureau. In particular, there are opportunities to explore how the service can work alongside school office staff to address issues such as school meal debt more proactively.
 - developing relationships with community and voluntary sector organisations providing support for families, with a particular focus on reaching the child poverty priority family groups.
- 5.6 The newly formed team will work with families to maximise household income through income advice, but also seeks to increase take-up of wider supports provided by the Council for families, for example, free school meals, school clothing grants or employability supports for parents. A key initial focus for the team will be Free School Meal uptake, as well as reaching out to support families with School Meal Debt.

Fair Food Renfrewshire

- 5.7 Following on from an engagement session that was held in October 2022, a second Fair Food Renfrewshire event was held in Johnstone Town Hall on 11th May 2023. Working closely with Nourish Scotland, and using the Sustainable Food Places Toolkit, the purpose of this event was to further engage with a wider stakeholder group and shape the vision and priorities of the food partnership.

- 5.8 There were over 40 attendees at the event, including Council officers, HSCP officers, NHS officers, businesses, growing groups, community groups, and Third Sector groups. The meeting was open to any organisation who has a passionate interest in food whether it be growing, producing, distributing, selling, or providing, with an emphasis on nutrition, sustainability, and community benefits.
- 5.9 Following a virtual presentation by Simon Kenton-Lake of Nourish Scotland, attendees were given the opportunity through table discussions to provide comments and suggestions regarding each of Sustainable Food Places' six key themes:
1. Food Governance and Strategy - putting systems in place to foster a strategic and collaborative approach to good food governance and action.
 2. Healthy Food for All - tackling food poverty, diet related ill-health and increasing access to affordable healthy food.
 3. Catering and Procurement - examining catering and procurement processes and looking to revitalise local and sustainable food supply chains.
 4. Good Food Movement - building public awareness, active food citizenship and a local good food movement.
 5. Sustainable Food Economy - creating a vibrant, prosperous, and diverse food economy.
 6. Food for the Planet - tackling the climate and nature emergency through sustainable food and farming, and put an end to food waste
- 5.10 The purpose of the table discussions was to identify key aspirations, determine what stakeholders felt the food partnership should be (or strive to be), and collate what the key priorities should be. The output from this event will help shape the Vision, Charter, and the work priorities of Fair Food Renfrewshire. Officers are attending a Sustainable Food Places (Scotland) event later this week, allowing the opportunity to contribute to national policy responses and to share, learn and collaborate with other food partnerships in 20 other local authority areas that are at varying stages of their food partnership journey. This will enable officers to put in place an appropriate and representative partnership structure overseen by a newly established steering group, to lead on development and delivery of the food strategy. This will support Renfrewshire Council's upcoming duties related to the Good Food Nation (Scotland) Act 2022.
- 5.11 The output from the event will be collated and will provide the background for a Fair Food Steering Group to set a vision and priorities for the partnership moving forward. High level themes emerging from the workshop included:
- Ending food insecurity and the need for foodbanks
 - Increased access and availability of growing grounds in every town and village within Renfrewshire
 - Increase in education regarding nutrition and cooking skills, and wider use of "home economics" type classes within educational, health, and community settings
 - Encourage individuals to buy local food, and also encourage organisations to place emphasis better value of using local food suppliers within a procurement policy context.

Lived Experience Panel

- 5.12 Further to updates provided at both Leadership Board and Fairer Renfrewshire Sub-Committee, progress continues to develop lived experience models locally, particularly the development of a panel of people with lived experience of poverty to inform the Council's policy and practice.
- 5.13 A diverse panel of 15 people has been recruited. The Panel have met formally six times, as well as meeting in-between panel meetings to debrief and develop the work alongside a community artist to create a record of their experience.
- 5.14 The Panel are currently planning an outcomes sharing event alongside Star Project to showcase their work over the period which will be held on Tuesday 13th June 2023, with the Fairer Renfrewshire Sub-Committee and other key stakeholders invited along to hear about the panel's 'journey of collaboration as they work towards a Fairer Renfrewshire for all.'
- 5.15 An evaluation of the process has also been carried out by Poverty Alliance to explore how these types of participation processes can inform work going forward, and to inform the development of the model moving forward. Officers are currently undertaking contract arrangements to extend the existing panel arrangements for a further year.

Local Child Poverty Action Report

- 5.16 Work is underway to produce Renfrewshire's Local Child Poverty Action Report, which is an annual report describing ongoing and planned action to tackle child poverty at a local level. This is a joint duty on both local authorities and regional health boards, and a statutory requirement of the Child Poverty (Scotland) Act 2017.
- 5.17 Officers are undertaking a 'deep dive' child poverty data exercise, to support the Local Child Poverty Action Plan as well as the wider Fairer Renfrewshire programme. While a key focus of this exercise will be the six child poverty priority groups, this exercise will also consider child poverty from a local area perspective – with a particular focus on understanding the drivers of marked increases in child poverty rates in some areas in Renfrewshire, and the potential actions that can be taken as a Council and with our partners.
- 5.18 A progress update on the 'deep dive' will be provided as a separate item for the Fairer Renfrewshire Sub-Committee this cycle.

Implications of the Report

1. **Financial** – There are no financial implications associated with this report, which provides an overview of the position and is for noting.
2. **HR & Organisational Development** – none
3. **Community/Council Planning** – This report provides a detailed summary of the current evidence relating to household income and expenditure. Wider poverty related issues are a key element of

both the Council and Community Plan and the information included within this report is part of the wider Strategic Needs Assessment for these plans.

4. **Legal** - none
5. **Property/Assets** - none
6. **Information Technology** - none
7. **Equality and Human Rights** – The report provides an overview of the position around household income and expenditure, and is for noting. As such there are no impacts arising from the recommendation of this paper. It is however important to note that impacts on households explored within this paper are likely to be disproportionately felt by equality groups.
8. **Health and Safety** - none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none
12. **COSLA Policy Position** – none
13. **Climate Risk** – none

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