

Record of Decisions

Notice of Motion - Cost of Living Crisis

Decision Taker

Cabinet on 14 June 2022.

Decision

That the Cabinet declares a 'Cost of Living Emergency' and instructs the Leader and Deputy Leader of the Council to write to Chancellor of the Exchequer to:

- Welcome the imposition of the 'Windfall Tax' on the super profits of oil and gas companies and question whether this has gone far enough.
- Immediately reduce the standard rate of VAT from 20% to 17.5% for one year, saving the average family £600.
- Immediately re-introduce the pensions triple lock to support Torbay's pensioners.
- Extend free school meals to all those families on universal credit.

Reason for the Decision

To support the Motion in respect of the financial challenges being faced by Torbay residents as a result of the cost of living crisis.

Implementation

This decision will come into force and may be implemented on 27 June 2022 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

Information

The Cabinet considered a motion in relation to the current cost of living crisis, notice of which was given in accordance with Standing Order A14.

Councillor Steve Darling proposed and Councillor Cowell seconded a motion, as set out below which was agreed unanimously by the Cabinet:

It is shocking and extremely worrying for many local residents in Torbay on limited incomes, that Ofgem announced that the energy price cap could rise to £2,800 in October 2022.

Earlier this year on 1 April 2022, Ofgem increased the energy price cap by 54 per cent.

Over the coming summer months, Torbay residents who in the main are already financially challenged, face the average standard tariff energy bill increasing by £693 per year. The average pre-pay meter energy bill increasing by £708 per year (Ofgem, 2022)

On 6 April 2022, the Government increased National Insurance by 1.25 percentage points, which is projected to cost the average Torbay family an additional £108 per year.

The Government has suspended the pensions 'triple lock' for 2022/23, meaning that Torbay's 37,143 pensioners will see a rise of 3.1 per cent this year (instead of 8.3 per cent under the triple lock formula). This year, this will cost a Torbay resident on the full new state pension an average of £487, and a Torbay resident on the full basic state pension an average of £373 (TUC, 2022)

Torbay has opened a Household Support Fund upon which there has been phenomenal demand, demonstrating a significant unmet need.

This Council therefore declares a 'Cost of Living Emergency' and instructs the Leader and Deputy Leader of the Council to write to Chancellor of the Exchequer to:

- Welcome the imposition of the 'Windfall Tax' on the super profits of oil and gas companies and question whether this has gone far enough.
- Immediately reduce the standard rate of VAT from 20% to 17.5% for one year, saving the average family £600.
- Immediately re-introduce the pensions triple lock to support Torbay's pensioners.
- Extend free school meals to all those families on universal credit.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

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June 2022

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet