

Notice of Motion – Cost of Living Crisis

Cabinet 14 June 2022

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.

Proposer: Councillor Steve Darling

Seconder: Councillor Cowell