

# Report

## Cabinet Member for Community Wellbeing

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### Part 1

Date: 28 July 2022

**Subject** Community Food Organisation Support

**Purpose** To provide an overview of the financial support for Community Food Organisations to operate sustainably through the cost of living crisis and to continue support vulnerable households / individuals in Newport

**Author** Director for Environment and Sustainability  
Head of Policy, People and Transformation

**Ward** All Wards

**Summary** Community food organisations across Newport are experiencing financial difficulty to operate sustainably during the cost of living crisis. For many community food organisations they rely on income streams through donations from members of the public and the goodwill of organisations. With the compounding impact of decreasing income and increasing cost overheads to running buildings, community food organisations are facing unprecedented challenges and increasing demand for their services.

The Welsh Local Government Association (WLGA) has provided Newport Council £55k to support community food organisations. Using existing WLGA food poverty funding (£7k) and a Council contribution of £38k, £100k will be made available for community food organisations to support the running of their services and to meet the demand of communities across Newport

**Proposal** For Newport Council to deliver a Community Food Organisation support fund to help support ongoing revenue costs of community food organisations in Newport.

**Action by** Head of Policy, People and Transformation

**Timetable** Immediate

This report was prepared after consultation with:

- Executive Leadership Team
- Corporate Management Team
- Gwent Association of Voluntary Organisations (GAVO)
- Leader of the Council

**Signed**

## Background

Throughout the last two years, community food organisations have made significant contributions towards supporting communities and vulnerable people with food parcels, debt advice and guidance, furniture, job advice and signposting to other public and third sector organisations. Without these organisations, many people and households would have struggled to provide food for themselves and their families, seek the necessary debt advice and support to enable long term changes to their financial, mental and physical well-being.

Across Newport there are over 35 organisations offering various food, furniture and general support to communities. In the last two years, Newport City Council has delivered several schemes using funding from the Welsh Local Government Association (WLGA) and the Council's own funding. An overview of the schemes delivered include:

1. **WLGA Food Poverty Grant (2019/20)** - £24k awarded to eight community food organisations to support their work and deliver food poverty support. £34.5k provided to Newport Live to deliver their Fit and Fed programme to support families during school holidays.
2. **WLGA Food Poverty Grant (2021/22 and ongoing)** - £125k (£54k Revenue / £71k Capital) was given to NCC. This funding was provided to Gwent Association Voluntary Organisation (GAVO) to appoint a Sustainable Food Coordinator and support organisations enabling community food organisations to access [sustainable food grant](#).
3. **NCC's Food Poverty Support (2021/22)** - £100k was allocated by the Council's Cabinet to support community food organisations. Of this commitment, £62k was awarded to 12 organisations to support their ongoing work and costs in 21/22.

## Cost of Living crisis

Over the last 12 months, the general cost of living has been increasing impacting on businesses and households in Newport and Wales. For community food organisations in Newport, these price increases have impacted most across the following areas:

- **Income streams (Donations, Shop income etc)** – Majority of the organisations in Newport are reliant on donations and income from selling goods and products). With inflationary pressures, organisations have reported seeing a decline in their income from the public and people using their services e.g. shops.
- **Energy Costs (Gas, Electric)** – The wholesale cost of energy across Europe and the UK has significantly increased over the last 12 months are predicted to increase further. For community food organisations where they are providing food pantry and food preparation support this is affecting the ability to provide these services. There are also a several organisations which provide classes and support to households on how to prepare cost effective meals.
- **Staffing Costs** – Organisations employ staff on full and part time basis as well as those who volunteer. With the anticipated National Insurance rises and general pay, pension increases, many organisations are struggling to pay their existing staff.
- **Fuel (Petrol and Diesel)** – Fuel prices across the UK (June 2022) are now reaching over £100 to fill vehicles. Where organisations are providing additional services such as deliveries to people's homes or needing to help members of the community to access services e.g. supermarkets, doctors etc these costs are impacting on their ability to offer this support.
- **Rent increases** – Many landlords are increasing rent costs on buildings and facilities used by community food organisations. With interest rates rising, many landlords are passing on these costs to the organisations.
- **General procurement / running costs** – Many retailers and services are passing inflationary increases onto the consumer and this includes community food organisations.

These general costs are all coming at a time when organisations are seeing increases in the number of people and households needing support with food poverty, debt advice and support, and fuel costs.

## **Non Domestic Rate Relief Support**

Registered charities and other 'not for profit' organisations are entitled to mandatory relief of 80% of the rates on any non-domestic property wholly or mainly used for charitable purposes. Organisations that have not taken up this offer can do so by accessing the link [here](#). Further advice and guidance can be provided by the Council via [email](#) or contacting the Council's Contact Centre.

## **NCC / GAVO Sustainable Food Grant**

In collaboration with GAVO, community food organisations are able to access capital funding up to £3,000 to improve their storage facilities, cooking equipment, signage, furniture and travel costs.

## **Community Food Organisation Support**

In May 2022, Newport City Council received £55k from WLGA to help support community food organisations to continue to meet the needs of the people that use their services and are experiencing difficulties in operating effectively due to increases in expenditure, volunteer expenses, and the costs outlined above.

In addition to this funding, Newport Council will contribute £38k as part of a previous commitment alongside £7k from other WLGA food poverty funding that has been earmarked to support community food organisations. This contribution will provide an overall support package to £100k for organisations to access.

We will work with community food organisations and GAVO to make arrangements to distribute funding to support them with covering the costs of increasing overheads, reduction in income / donations to help maintain the delivery of their service. For any funding not claimed by September 2022 a second round of funding will be offered between October and December 2022.

Using social media and working with partners such as GAVO, NCC will promote and offer this support across the networks in Newport.

## **Financial Summary (Revenue)**

<b>Funding Source</b>	<b>Year 1 (22/23) £</b>	<b>Year 2 £</b>	<b>Year 3 £</b>	<b>Ongoing £</b>	<b>Notes including budgets heads affected</b>
<b>WLGA 22/23 Grant</b>	<b>£55,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	Direct funding to organisations subject to completion of an application.  £38k from identified budgets
<b>WLGA 21/22 Food Poverty Funding</b>	<b>£7,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>NCC Contribution</b>	<b>£38,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>Total</b>	<b>£100,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	

## Risks

It is important to identify and manage any project or scheme's exposure to risk and have in place controls to deal with those risks.

<b>Risk Title / Description</b>	<b>Risk Impact score of Risk if it occurs* (H/M/L)</b>	<b>Risk Probability of risk occurring (H/M/L)</b>	<b>Risk Mitigation Action(s)</b> What is the Council doing or what has it done to avoid the risk or reduce its effect?	<b>Risk Owner</b> Officer(s) responsible for dealing with the risk?
Grant funding from WLGA not spent in accordance with Terms and Conditions.	M	L	Council will undertake financial monitoring of grant expenditure. Process established to manage administration and delivery of grant.	Head of People, Policy and Transformation

\* Taking account of proposed mitigation measures

## Links to Council Policies and Priorities

Corporate Plan 2017-22  
Covid Strategic Recovery Aims

## Options Available and considered

1. To approve the approach for WLGA and Council funding to support Community Food Organisations in Newport with their operational costs and supporting communities.
2. To reject the proposal and for further work to consider further options to support Community Food Organisations.

## Preferred Option and Why

Option 1 is the preferred option to offer Community Food Organisations funding opportunities to support their operating costs to support communities in Newport.

## Comments of Chief Financial Officer

The financial contributions to community organisations will be made through a combination of grant and revenue funding and will be time limited. The Council's £38k contribution will be identified from within existing resources. Allocation of monies to these organisations will need to be monitored closely and will be done so as part of the Council's established ongoing budget monitoring processes.

## Comments of Monitoring Officer

There are no specific legal issues arising from the report. The proposed financial support for community food organisations is in accordance with the Council's general "well-being" powers under section 2 of the Local Government Act 2000 and is also consistent with the Council's socio-economic duty under the Equality Act and corporate well-being objectives.

## Comments of Head of People, Policy and Transformation

There are no HR implications in the delivery grant and will be undertaken within existing resources.

The well-being of Newport's communities is important during this difficult period where people are struggling to meet the cost of living. Community Food Organisations across Newport rely on donations and the goodwill of people to support those most in need. As the report has outlined, these organisations are also struggling to meet the demand of people but also continue to pay their own

overheads. The offer of this funding will help support these organisations in the short term but also provide an opportunity to meet the long-term needs of Newport's residents.

## Comments of Non-Executive Members

Please see Appendix 1, table of comments.

## Scrutiny Committees

Not Applicable

## Fairness and Equality Impact Assessment:

### • Wellbeing of Future Generation (Wales) Act

Below outlines how the Council has considered the 5 ways of working principles of the Well-being Act:

**Long Term** – The provision of the grant support will provide short term financial support to community food organisations who are struggling to meet the increase in costs and the reduction of income. The long term need is for the organisations to support the most vulnerable in their communities and to find long term solutions to their cost of living situation e.g. employment, training, housing and other support.

**Prevention** – Community food organisations help support people and families that are struggling to provide food security. Community food organisations are considered as vital community services in some of Newport's most deprived areas. The access to funding will enable these organisations support the Council's preventative work and help signpost people to other Council, charity and not for profit services in the city.

**Involvement** – The distribution of this grant funding will food organisations to support people in communities and to engage with other Council services to assist them find long term support.

**Integration** – The delivery of this grant supports the Council's strategic priorities across preventative services and community support. This work is also integrated with other organisations work in Newport such as GAVO, Newport City Homes and the community food organisations.

**Collaboration** – The delivery of this grant will be completed in collaboration with other Council departments and also involve GAVO support to promote the grant.

### • Equality Act 2010

A full Equality Impact Assessment is not required as this will be distributing grant funding to community food organisations on the basis of a grant application.

### • Socio-economic Duty

The Grant funding will provide short term support to community food organisations across Newport with the cost of delivering their services to communities. The delivery of these services contribute towards improving the socio-economic position of people and households in their communities.

### • Welsh Language (Wales) Measure 2011

The promotion and application of the funding will be made available in Welsh and English by the Council. Organisations will have the opportunity for their application to be considered in Welsh.

## Consultation

Discussions will continue to be held with GAVO, partners and senior officers to consider the best approach to distribute this funding equitably across Newport.

## Background Papers

Dated: 28 July 2022

## APPENDIX 1 - Cabinet Member for Community and Wellbeing – Community Food Organisation Support

Councillor	Question/Statement	Response
1. Drewett	I deplore the fact that families in Newport are going hungry in this day and age, and that it is necessary for Newport City Council to support food bank organisations. Therefore, I fully endorse the action of the Cabinet Member in this regard as specified in the report.	Response noted.
2. M Howells	<p>I am pleased to see the proposed support for Community Food Organisations at this time. Since the election my ward colleagues and I have been working with Ravenhouse trust who operate a community food bank and furniture poverty support scheme</p> <p>I support the Cabinet Members decision and would request further details be published on how the money will be split across the several organisations that help and how the applications can be made. I would also request that the Cabinet Member give thought to other ways the authority can help, including providing business support and access to grants officer support if possible.</p>	<p>The Authority has a partnership with GAVO to support food poverty requirements, following an earlier commitment to support. This includes an officer who works directly with such organisations.</p> <p>Similar to previous grants made available to Community Food Organisations, we will be inviting applications for funding. This approach will enable NCC and GAVO to assess whether additional support, advice and guidance can be provided as in addition to financial support being provided through this fund.</p>
3. Sterry	I fully support your proposal for the Community Food Organisations. Since elected, our Lliswerry Councillors have been working with Raven House Trust, who not only operates a community food bank but also support new home starter packs.	<p>The Authority has a partnership with GAVO to support food poverty requirements, this includes an officer who works directly with such organisations.</p> <p>Similar to previous grants made available to Community Food Organisations, we will be inviting applications for the grant funding and this will enable NCC and GAVO to assess whether additional support, advice and guidance can be provided as in addition to financial support.</p>
4. Whitehead	I fully support and endorse this compassionate drive to help and support our residents in need in these financially challenging times	Response noted.

	<p>across all the Wards in Newport, we see the reality at close quarters as we volunteer and fundraise for our own Bettws Foodbank. I commend all those involved in this fabulous initiative.</p>	
5. M Pimm	<p>I also support the findings and recommendations of the Community Wellbeing Cabinet Minister report. I do fear we face a bleak winter with so many normal families already struggling before the further price hikes in the Autumn</p> <p>I think now is the time to start work on preparing for the tough winter ahead and I encourage open forums to share ideas and strategies across all agencies and council committees to ensure we can be as supportive and as dynamic as we can before the waves of economic hardship really start hitting and swamping our services this winter.</p>	<p>The Authority has a partnership with GAVO to support food poverty requirements, following an earlier commitment to support. This includes an officer who works directly with such organisations to ensure a joined-up approach.</p>
6. Cleverly	<p>As I have been a volunteer with Bettws Food Bank for the past eight years, I see families struggling to make ends meet, even more so recently, our Food Bank depends on donations and generosity of people. I fully support this.</p>	<p>Response noted.</p>
7. Thomas	<p>Please record my support for these proposals. It is to be hoped that they will alleviate the pressures on some of our most hard-pressed families at this time and that our service provision over the winter period can be adjusted to provide extra help then as well.</p>	<p>Response noted.</p>
8. Screen	<p>As representing a ward where the cost of living will impact on low-income families, I fully support this initiative.</p>	<p>Response noted.</p>
9. A Pimm	<p>I would like to echo Councillor Matthew Pimm, this report, the findings and proposals are most welcomed. With further cost of living rises forecast more of our residents are going to slip through the net into food poverty and hardship. This is the type of action needed to help the struggling families in Newport. But I fear it will not be enough and we will have to do more, especially with the inevitable increase in</p>	<p>Response noted.</p>

	homelessness this winter. A perfect storm is brewing not only is more food going to be needed but also dry shelter and warmth.	
10. Al-Nuaimi	<p>I fully support the proposal in the cabinet Member Report, which not only addresses the important role Community Food organisations play in helping people in various situations in Newport, it also make funding available to help these organisations cope with escalating prices and costs of their operations.</p> <p>I note this is a time limited and a short-term measure to ensure people in need can still receive help for food as well as advice on the debts and other valuable guidance, at a critical time.</p> <p>As the cost of living crisis is likely to continue for some time, given the projected increases in energy, fuel and food prices, it may be an idea to try and consolidate the valuable work carried out by the many Community Food Organisations. This may be achieved by encouraging some of these organisations to try and merge their operations, thus removing duplication. Perhaps also they can coordinate their deliveries in order for these to be less costly to themselves. In this way the £100k available can be made to go further in supporting these valuable community organisations overcome the inflationary pressures likely to get even more acute.</p>	<p>The Authority has a partnership with GAVO to support food poverty requirements, following an earlier commitment to support. This includes an officer who works directly with the range of organisations in Newport.</p> <p>Similar to previous grants made available to Community Food Organisations, we will be inviting applications for the grant funding required. It is helpful that a range of different organisations and approaches exist, reflecting the different local needs, and arrangements.</p> <p>This approach will enable NCC and GAVO to assess whether additional support, advice and guidance can be provided as in addition to financial support being provided.</p>
11. Reynolds	<p>I am proud to support this report in its entirety, although, like many others, I still find it staggering that in one of the world's leading economies there are currently more foodbanks in our UK communities than branches of McDonalds. The very fact that so many people, and in ever-increasing numbers, need to rely on a food bank just to get by and support their families in the most basic of ways is a shameful indictment of where we are as a nation. I am proud that our City Council is able and willing to support these much-needed resources for the most vulnerable people in our communities, and you have my full support with this report.</p>	Response noted.



<p>12. Townsend</p>	<p>I support this initiative because it is the correct thing to do.</p> <p>However, the idea that we all accept that food banks are a “normal” part of life in 2022, is an absolute scandal.</p> <p>Food banks might save some families/individuals from gnawing hunger, but they are no solution to the endemic problems the country faces.</p> <p>Newport is one of two areas with serious levels of child poverty; indeed, the city ranks third in Wales.</p> <p>One in five children is growing up in poverty; this not only hinders their future in terms of health, but it also means their education suffers.</p> <p>Councillor Cleverly (and others), do sterling work with food banks and other charities and they provide a much-needed lifeline, but they are not the way to run a decent society, which is fair to all.</p> <p>The funds from NCC and the Welsh government will be spread across 35 organisations.</p> <p>Given that costs are rising right across the board, would it not be possible to rationalise some of the infrastructure?</p> <p>Maybe prevent landlords from hiking rents, could be a start.</p>	<p>The Authority has a partnership with GAVO to support food poverty requirements, following an earlier commitment to support. This includes an officer who works directly with the range of organisations in Newport.</p>
<p>13. Jordan</p>	<p>I fully support this and as my other colleagues on the Bettws estate we see a lot of families using the food bank. The food bank in Bettws not only supplies the estate but also Malpas and the Shaftsbury areas and we are forever in need of donations and must say we have great community spirit here in Bettws even from our local Spar store so I must fully support this and a big thanks goes to the volunteers who do a tremendous job.</p>	<p>Response noted.</p>

14. B Davies	<p>In a rich country such as ours, families shouldn't have the need to rely on food banks and other resources but unfortunately, they do. This is going to be a continuous problem for families for many years to come.</p> <p>I agree with the proposals Newport City Council have set out in this report and commend the continuous support shown to the community that Newport City Council have given in the past, present and future going forward.</p>	Response noted.
15. L James	I Support this.	Response noted.
16. Cocks	<p>I am fully in support of this proposal. It is a scandal that large sections of our community are being pushed into poverty.</p> <p>I am pleased to be a member of an authority which is taking direct action to assist families affected.</p>	No reply needed