
Cost of Living Update

Report being considered by: Health and Wellbeing Board

On: 2 May 2024

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Item for: Decision

1. Purpose of the Report

The purpose of this report is to update the Health and Wellbeing Board on the collective response to the impact on residents in West Berkshire of the high cost of living.

2. Recommendation(s)

That the Health and Wellbeing Board:

- (a) **NOTES** the report and the response of partners to date.
- (b) **RESOLVES** that the Service Lead for Public Protection report on additional progress to the Board at its meeting on 11 July 2024.

3. Executive Summary

- 3.1 On the 13th July 2023, 4th October 2023 and 7th December 2023 the Board received updates on the local response by the Council and voluntary sector partners to support residents facing challenges due to financial pressures.
- 3.2 In April 2024 the Office for National Statistics reported that the headline Consumer Price Index (CPI) rate in the year to March 2024 stood at 3.8%. The inflation rate for food and non-alcoholic beverages stands at 4% in March (down from 5% in February 2024).
- 3.3 For the period from 1st April 2024 to the 30th June 2024 the 'energy price cap' was reduced to £1,690 per year which amounts to a reduction of £238 per year (12%) for the typical household. This is significantly lower than its peak in April 2023 (over £4,000) it is still significantly higher than the price cap in early 2021 that stood at £1,042. The review for the period from the 1st July is set to be announced on 24th May 2024.
- 3.4 Fuel prices have been static for some time, but in the last few weeks have started to creep up. A typical cost per litre for petrol is around 149p per litre and around 157p per litre for diesel.
- 3.5 Whilst many of these baseline indicators show an improving situation, it is nevertheless the case that food prices are still rising, and previous rises are now factored in on an ongoing basis and reports from West Berkshire Citizens Advice and

others in the local voluntary sector indicate many are struggling with high rental costs and rising levels of debt.

- 3.6 This report updates the Board on the use of Household Support Fund (HSF) spend in 2023/24, the latest update from the voluntary sector and proposals for the HSF for the period April 2024 – October 2024.

4. Update Report

Household Support Fund

- 4.1 West Berkshire Council was allocated £1.39M of Household Support Fund (HSF) for 2023/24. Members of the Board will recall from previous meetings that in the autumn of 2023 there was a significant amount of work done with voluntary sector partners to help deliver the aims and objectives of the scheme. This resulted in a re-allocation of funds in both November 2023 when the match funding contribution to the shared fund administered by Greenham Trust was increased to £70K, and a further re-allocation on the 14th December 2024 as set out in this Individual Member Decision ([Public Pack](#))[Agenda Document for Individual Executive Member Decisions, 14/12/2023 10:00 \(westberks.gov.uk\)](#)
- 4.2 This marked a significant change in the way that we had distributed the fund and provided for greater flexibility and speed of delivery of funds and other support to those in need of assistance.
- 4.3 In summary, all of the 2023/24 grant that was available was allocated including:
- £346K in direct payments to residents who met the scheme criteria. This was administered by the Council's Housing Service.
 - £404K for provision for those on 'free school meals' during the school holiday period. This amounted to 6 weeks funding over the various holiday periods for over 4,000 children.
 - £120K support for those on housing benefit who were not eligible for other cost of living support payments.
 - Additional £20K match funding allocated to the shared Cost of Living Grant Fund administered by Greenham Trust making a total of £70K.
 - Over £350K of support delivered through the voluntary sector, including support for pensioners; support for those in temporary and emergency accommodation; essential household goods including white goods and carpets, curtains and mattresses and support with food and energy costs.
 - 10% of the fund was used for administration in line with the scheme allocation and guidance.

Voluntary Sector Update

- 4.4 On the 5th April 2024, the joint 'Poverty and Cost of Living Hub' met to discuss the latest situation as established by local voluntary sector providers. It was attended by a range of organisations as well as Greenham Trust and various Members and

Officers from West Berkshire Council, including the Executive Portfolio Holder for Housing. The meeting was arranged by the Volunteer Centre.

4.5 The feedback was that the new approach had been a success and the joint working had allowed for a range of innovations to support the local community in a timely and focussed manner. The group were informed that there had been a recent announcement of a further six months of Household Support Fund grant funding and that the Council would be looking to work with partners in a similar vein to the previous round to meet the objectives of the scheme.

4.6 Contributions from partner organisations during and subsequent to the meeting included:

- The Community Resource Centre reported continued high demand for support under the essential household goods scheme. An arrangement had been made with a carpet supply company to donate off cuts that could be used to carpet uncarpeted properties.
- Citizens Advice and the Foodbank both reported high levels of enquiries relating to debt matters. Statistics provided by Citizens Advice West Berkshire indicate a 22% increase in requests for advice in the period April 2023 – January 2024 compared to the same period the previous year. This includes a 31% increase in debt enquiries, a 40% increase in housing enquiries and a 63% increase in charitable support enquiries.
- West Berkshire Homeless reported receiving as many as 20 enquiries in one day, including a number from people suffering from mental health related issues. In February alone, they helped 110 individuals with essential provision, averaging around £45 of support per case.
- West Berkshire Foodbank reported high demand for debt advice from their dedicated advisor, who has also provided a lot of referrals on a whole range of matters from school uniform support to energy top-ups, clothing and essential household goods. They have also reported that there is a significant gap between the food donated to the foodbank and that issued to service users. In the first three months of 2024, that gap had risen to 11 tonnes with 37 tonnes of stock being issued.

4.7 In summary, there was consensus that there was a clear cohort of people in the district who were suffering from the effects of financial hardship. This in turn had impacted on physical and mental health, requiring the need for wider support around advice, camaraderie and support for mental and physical health. A number of organisations, including Educafé and the Soup Kitchen, are now providing that support including access to NHS health checks and targeted services.

4.8 A range of grants from the joint cost-of-living grant fund administered by Greenham Trust have been approved. Further details will be reported verbally at the meeting.

Household Support Fund April 2024 to October 2024

4.9 In late March 2024, the Government announced that West Berkshire Council has been allocated **£694,849** to meet the stated aims of the Household Support Fund of supporting the vulnerable or those that cannot pay for essentials. The funding period

for this round of funding runs from April until 1st October 2024. It is not known if there will be another round of funding at this stage.

- 4.10 The award letter stated amongst other things that the *'The purpose of the grant is to provide support to certain local authorities in England for expenditure lawfully incurred or to be incurred by them in accordance with the Grant Conditions to provide support to households, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) to help them with living costs'*.
- 4.11 The Council must also ensure that the grant is *'primarily allocated to support with the costs of energy (for heating, lighting and cooking), food, water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance'*.
- 4.12 The options for this fund were discussed at the recent 'hub' meeting and it was agreed that the principles of working in partnership with Greenham Trust and the voluntary sector would continue. A detailed options paper will be considered as an Individual Member Decision on the 2nd May 2024.
- 4.13 Once the detailed allocations have been considered, we will report back to the Health and Wellbeing Board on progress in meeting the scheme's aim, and levels of support for local residents.

5. Conclusions and Next Steps

- 5.1 It is tempting in the context of the falling headline inflation figures to think that the cost-of-living challenges for some residents are receding. The evidence suggests that this is not the case and for some the situation is very challenging. This report gives an update on some of the work done since we last reported in December to provide a safety net for our residents vulnerable to the impacts of financial hardship.
- 5.2 The focus in this period has been on expanding the support provided through voluntary sector partners to provide a responsive and focussed approach to supporting those in priority groups. The focus going forward will be the same. We are all agreed that we deliver best when we deliver through our strong local partnership.

6. Appendices

None

Background Papers:

None

Health and Wellbeing Priorities Supported:

The proposals will support the following Health and Wellbeing Strategy priorities:

- Reduce the differences in health between different groups of people
- Support individuals at high risk of bad health outcomes to live healthy lives
- Help families and young children in early years
- Promote good mental health and wellbeing for all children and young people
- Promote good mental health and wellbeing for all adults

The proposals contained in this report will support the above Health and Wellbeing Strategy priorities by helping to mitigate the impacts of the cost of living increases.
