
Local Response to Cost of Living Increases

Report being considered by: Health and Wellbeing Board

On: 13 July 2023

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Item for: Decision

1. Purpose of the Report

This 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 rise in the cost of living. To consider how we build upon the response so far.

2. Recommendation(s)

That the Health and Wellbeing Board:

- (a) **NOTES** the report and the response of partners to date.
- (b) **RESOLVES** that the Public Protection Manager should arrange a meeting of statutory and voluntary sector partners and other interested partners to consider options and agree a way forward for providing ongoing support to residents who are struggling to cope with the rising cost of living
- (c) **RESOLVES** that the Board receives further updates on the impacts of the cost of living on local residents at each of the remaining meetings for the 2023/24 municipal year

3. Executive Summary

- 3.1 On the 29th September 2022 the Board received a report on the rapidly emerging increases in the cost of living and the potential effect on residents. The report also considered some of the potential individual effects, such as the impact on mental health, as well as the broader risk of exacerbating or creating further health inequalities.
- 3.2 The report in September 2022 also considered the causes of the cost of living impacts and how they could affect residents. These included CPI headline inflation that subsequently exceeded 11%, fuel prices (which subsequently rose to 190p per litre for diesel) and energy prices (where the energy price cap rose to £3,000 in April 2023). The rise in the cost of the energy price cap was lower than some predictions but prices still almost tripled to pre-April 2022 levels. They are now predicted to fall.
- 3.3 At a national level a number of interventions were made including a universal subsidy of £400 for all households paid in equal instalments over the winter months. There were additional payments for those on low incomes, the elderly and those with

vulnerabilities. In addition, the government announced another tranche of Household Support Fund funding which totalled £694,000 for West Berkshire.

- 3.4 At the time of writing, residents still face significant challenges with high energy costs, which though expected to fall later in the year will still remain at levels which are more than double the pre April 2022 price levels. Latest figures put the numbers in fuel poverty at over 3 million. Headline inflation has fallen to under 9%, however grocery inflation currently stands at 16.5% and food inflation at 18.4%, with some basic food items rising significantly higher. Overall, average food prices were 34% higher than in 2019. Some of the most significant rises have been in so-called supermarket 'value' product lines. Finally, fuel prices locally remain steady at around 145p per litre.
- 3.5 Another significant and developing concern for households is interest rates. In early December 2021 the Bank of England Base rate stood at the historically low 0.1%. Since then it has steadily risen and at the time of writing stands at 5.0% (more than trebling since August 2022). They are not expected to gradually fall back until late 2024. Meanwhile, at a national level, some 1.4 million mortgage payers will come off low interest fixed rate mortgages in 2023. 57% are coming off two year deals with fixed rates of 2%. The cheapest equivalent fixed rates are now around 6% and offers are being withdrawn routinely as uncertainty continues. The impacts of this are very significant and will play through in due course to private sector rentals, where landlords face the challenge of falling house prices, rising interest rates and a very significant rise in maintenance costs. So called 'no fault evictions' rose 116% in January to March 2023 in comparison to the same quarter in 2022.

4. The Response in West Berkshire

- 4.1 Following the meeting of the Health and Wellbeing Board in September 2022 a number of actions took place. Firstly, a Cost of Living Appeal was set up by Greenham Trust, which was pump-primed by £50,000 each from Greenham Trust and West Berkshire Council. The idea of this fund was to support local voluntary sector providers and charities to support residents with challenges arising from the increases in Cost of Living. This appeal eventually raised a total of £72,475. A summary of grants awarded from the appeal is set out below:
- 4.2 Secondly, a discussion was set up with the voluntary sector, the Volunteer Centre, Greenham Trust and West Berkshire Council to establish both what support the sector needed and whether there was any appetite for the 'Cost of Living Hub' to be hosted by West Berkshire Council.
- 4.3 Thirdly, the Council developed a comprehensive website offer, with signposting to local and national sources of help and assistance. This was part of a wider communications strategy, examples of which are set out at Appendix B to this report.
- 4.4 Fourthly, a Cost of Living core co-ordinating group was set up, consisting of the then Leader of West Berkshire Council, Public Protection Manager, Hub Manager and the Chief Executive Officers of both the Volunteer Centre and Greenham Trust.
- 4.5 Finally, an internal officer delivery group was set up in West Berkshire Council to oversee the Council's 'cost of living response'. This group, Chaired by the Public Protection Manager, included Adult and Children's services, Public Health, Housing, Communication and Public Protection Hub Team.

Cost of Living Hub

- 4.6 On the 24th October 2022, the Cost of Living Hub was launched with a distinct telephone number, e-mail address (costofliving@westberks.gov.uk) and supported by distinct branding as set out at Appendix B. The hub was hosted in the Public Protection Service and operated under the same management structure as the Homes for Ukraine Hub which was also hosted in the Public Protection Service. The hub shared call handling support with the Ukraine Hub and was delivered day to day by an internal secondment (Pete Evans), acting as CoL lead, supported by the Hub Manager and a Trainee from the Public Protection Service.
- 4.7 At the same time, each of the voluntary sector providers who undertook to receive referrals directly from the hub agreed a protocol for such referrals, which formed a manual for staff providing advice and support. The range of external referral organisations included:
- West Berkshire Foodbank
 - Community Furniture Project
 - Draughtbusters – Newbury and Thatcham
 - Citizens Advice
 - Cowshed
- 4.8 Internally the referral routes included:
- Household Support Fund
 - Environmental Health
 - Children and Adolescent Services (CAAS)
 - Council Tax
 - Adult Safeguarding
- 4.9 In addition, a meeting was held to look at options around referrals for mental health support, as it was apparent from outset that the increase in the ‘cost of living’ presented a risk to physical and mental health for some residents.
- 4.10 By the time the Hub had closed, it had supported over 500 individual residents and families cases. A fully summary of the Hub Data can be found at **Appendix C** to this report. The following is a summary of the headline data on contact numbers and access routes:
- 4.11 During the running of the Col hub handled over 700 contacts:
- 424 of which were phone calls
 - 77 online forms (through WBC website)
 - 177 email referrals
 - 1 3rd party referral
 - 2 other
- 4.12 Referrals into the Hub were through the following routes:
- 519 - Self referrals
 - 28 – Children and Adolescent Services
 - 8 – Adult Social Care

- 2 – Citizens Advice
- 6 – CFS (community furniture project)
- 18 – Health Visitors
- 2 – Schools
- 30 – Others

Household Support Fund

4.13 In October 2023 the Government released Tranche 3 of the Household Support Fund. The allocation for West Berkshire Council amounted to £694K. At the time of release the guidance encourage local authorities to:

- use discretion on how to identify and support those most in need, taking into account a wide range of information, and,
- use the funding from 1 October 2022 to 31 March 2023 to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials. Authorities can also use the funding to support households who are struggling to afford wider essentials

4.14 The fund which was managed by the Council's Housing Service made 3030 assessments and made 1975 awards with 1055 being rejected. The primary reason for rejection in this period was that the applicant had already received a payment in Tranche 3. In addition 24% of tranche three funding was allocated to free school meals during holiday period. Over 2022/23 the holiday Free School Meal payment was paid at equivalent of £3 per child per day for up to 4000 children for 6 weeks over the financial year. Since the scheme began in 2021 West Berkshire Council has made over 400 awards with the average award being £263.

4.15 In March 2023 the Government announced there would be a further tranche of HSF funding for 2023/24. For West Berkshire the allocation has been set at £1.389M.

4.16 In terms of the 2023/24 spend The Household Support Fund went live 30 May 2023. Since the re-launch up until 23/6/23 the Council has received 581 applications of which 356 are being and being processes and 116 have been approved funding £28,800 support payments to households. A total of 48 have been rejected primarily because they were incomplete or did not meet the criteria. A breakdown of all applications approved is set out in the table below:

Category	Number approved claims	Total payment
Single Households	18	£2,700
Family household (1 – 2 children)	66	£16,500
Family (3+ children)	32	£9,600

Community (Warm) Hubs

4.17 In September 2022 there was an event hosted at St John the Evangelist Church in Newbury hosted by Cllr Steve Masters, formerly of this Board, to look at the appetite for setting up a network of community warm hubs. It was attended by a range of organisations from church representatives and community groups to the West

Berkshire Foodbank, Newbury Soup Kitchen Community Furniture Project and Community Larders.

- 4.18 At this meeting the concept of a 'cost of living hub' was endorsed and a network of new and existing community groups were set up and developed.
- 4.19 A regular network meeting was hosted by West Berkshire Council Building Communities Team to talk about best practice, what worked well and laterally about the basis for an evaluation and the longer-term options for a network of Community Hubs. This evaluation is currently being conducted and will be used to look at the longer-term options for delivery of some services at local level and through this network.

'Be Well this Winter'

- 4.20 West Berkshire Council Public Health Service commissioned a winter health resilience initiative for the 2022/23 autumn winter period, The initiative, titled 'Be Well this Winter' (BWTW) was aimed at improving the uptake of Covid and Influenza vaccines, improving the uptake of accessing winter health advice and encouraging the uptake of NHS health checks with the aim improving cardiovascular disease and wider health outcomes. In addition, the service was also commissioned to provide 'signposting to support at risk populations given increased cost of living pressures'
- 4.21 Across 18 outreach sessions and 13 'health on the move sessions' the initiative engaged 375 residents covering all priority groups. During the MECC (Making Every Contact Count) conversations the second highest area of concern was the cost of living with 312 people raising this in conversation. Signposting for further advice and support was delivered where appropriate. The full headline data on the initiative can be found at **Appendix D** to this report.

Health and Wellbeing Conference

- 4.22 In January 2023, the theme of the Health and Wellbeing Conference was the impact of the Cost of Living on residents. A mid-point update on the work of the CoL Hub was presented alongside presentations from Citizens Advice, Greenham Trust, along with presentations on the impacts of food poverty and the rising cost of living on mental health.

5. Evaluation and Looking Ahead

- 5.1 Various pieces of evaluation have been conducted. As set out above the Community Hub, evaluation is still being completed, however an evaluation has taken place already of the 'Be Well the Winter' programme and a survey conducted of the users of the Cost of Living Hub.

Cost of Living Hub

- 5.2 A survey of users of the Cost of Living Hub garnered 41 responses. The headline figures from that survey were as follows:
- The main route into the hub was awareness through social media (21%) and referral from another Council Service (13%)

- 70% had never had reason to contact the Council about similar issues previously.
- The main reasons for contacting the Hub were; help with household costs (59%) and food costs (56%). 27% declared themselves as 'in crisis'
- 59% rated the service from the Hub as excellent; 19% very good, 11% good and 11% poor.
- 59% said they felt the Hub Officer understood their situation 'extremely well'; 19% very well and 11% somewhat well.
- 81% said the Hub could not have done anything differently to improve their experience of using the hub.

5.3 The observations of users of the service included:

- I won't of not been able to cope
- I probably would've struggled. After speaking with everyone a weight has been lifted. As I'm either doing the right things (energy) or they have pointed me in the right direction
- It would of affected me really bad and I don't know what I would of done
- I don't know what I would of done without the help from cost of living hub, thank you to you at the hub :)
- I believe that without your help we would not have been able to have any heating on, which would have been detrimental to me and my partners health issues.
- It's nice to know that there so one who can help people who are struggling.
- We as a family would have been in a very difficult situation and I don't know how and what we would have done to cope ever so helpful and a lot of helpful information too brilliant thank you so much
- I'm disabled so i would have suffered
- I'd of had nothing to feed my child
- Gone without food and heating for 2 weeks thank you
- I was grateful as I was struggling
- I found their response very good and understanding and warm
- The teams I spoke with, were very helpful, informative, they also handled my situations with empathy. I know it's their job but I felt safe and looked after in the way I needed
- I was so pleased and very grateful for the help I received.

- Hannah Stacey and Pete Evans have gone above and beyond to help me and my family.
- They are very helpful and I just wanna say thank you to Pete that was helping me with everything
- So helpful gave all I needed and more to help me and my family get through a really hard time and we're so very greatly grateful
- Staff were very helpful and friendly checked there were any other areas that I may be struggling with. E-mailed me with good links to help me at this time.

5.4 As part of the evaluation process, staff who worked in the Hub were asked to give their observations. These are as follows:

'The hub achieved a lot and became a vital link between the Council departments, the third sector and the residents.'

'It was originally set up as a simple signposting and referrals service for specific CoL needs. It was quickly apparent that residents needs were complex and required lots of time and skills to assist with multiple resources average contact times became 3Hrs +'

'Partnerships between the council and certain agencies were strengthened, collaborative working and sharing information helped plan for potential pressure periods'

'The CoL also worked a conduit between various internal services and residents. This as either when the resident didn't have the capacity to engage with multiple services (or even one!) at the same time or an issue had risen to a level that required direct action (MP office/potentially a complaint).'

'The CoL hub has lots of successes and always helped (even if the help was someone being able to talk about the issues and knowing they are doing all the right things).'

'The Households that we helped would of no doubt been an additional strain on other services in WBC (whether previous known or not). We were only ever able to react, there was a clear demand for the service to be targeted at certain groups, such as outreach. This was proven through the limited work done with S4H 'be well this winter campaign'

6. Current Position with the Voluntary Sector

6.1 The views of local voluntary sector support organisations have been sought and a summary of the challenges being faced is set out below:

West Berkshire Foodbank

Since 01/04/23 donations are significantly reduced. Donations have totalled 20467Kg and Foodbank support granted has been 26103Kg leaving a shortfall of 5.6 tonnes in less than 3 months. Food is being bought in to manage the deficit.

The foodbank is currently supporting 17 schools with breakfast clubs and/or internal foodbanks. In addition, they have already been approached by 36 schools asking for support for 1,441 people during the school holidays.

Feedback from client-facing volunteers indicates that we are experiencing a five-fold increase in the amount of time we are spending with first-time clients due to the amount of/ type of issues they are experiencing.

Meanwhile the foodbank has a reducing pool of volunteers, due to volunteer fatigue, retirement and many going back to work due to the current cost of living, leaving the organisation severely stretched in all areas currently.

Newbury Soup Kitchen

The Soup Kitchen reports that the general state of the economy, due to food and fuel crisis and interest rate rises, is having a huge impact on all our donations.

The Soup Kitchen reports that the demand for food is increasing as people struggle further. Homelessness is on the rise as landlords are evicting more and more people through no fault evictions. This is due to interest rates on rental properties that people can no longer afford and needing to sell or put higher paying tenants in to compensate.

In addition, mental health issues are on the increase, which has been exacerbated by COVID and is just starting to show its face. Addictions are taking further hold on people's lives which is resulting in non-engagement, anti-social behaviour, job losses and debt which is putting huge pressure on food provision charities.

They report that public no longer have the 'spare cash' to donate to small charities like Newbury Soup Kitchen. We are put lots of appeals on social media, but this is not generating much in the way of donations. Best Before dates have been scrapped on lots of ambient food to reduce food waste but this has impacted charity donations. As a result, food is kept on supermarket shelves for longer periods of time, so this reduces food available to them and it is often of poorer quality when they receive it thus not as accessible for us to use for their food provision. People are also buying more supermarket reduced items, therefore reducing the donations coming to us.

Homeless numbers are going up and emergency beds are at a premium now through statutory services.

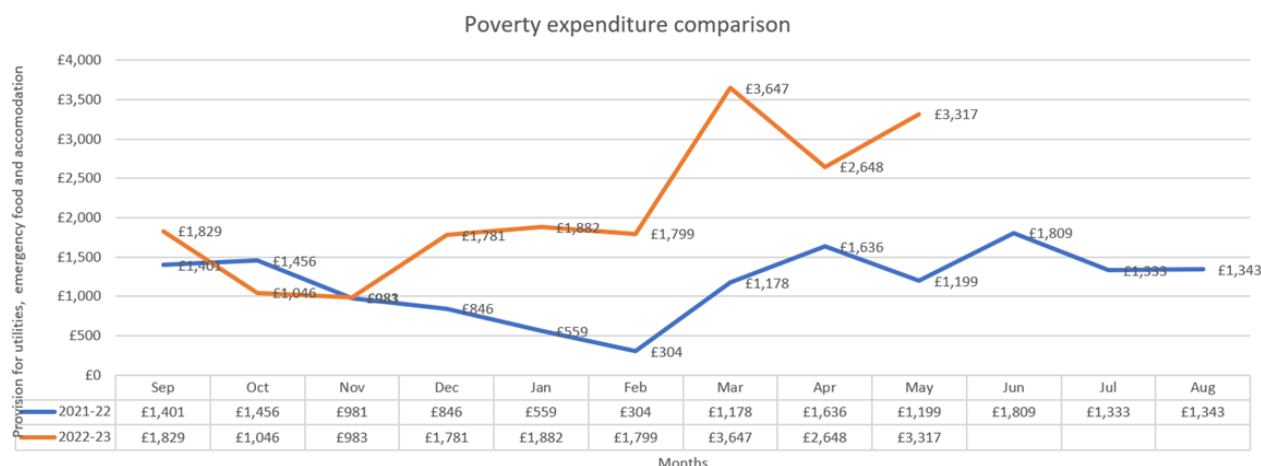
The Soup Kitchen is fundraising as much as possible, however the allocation from grants is definitely reduced. More charities are applying, so competition is greater. Many grants are for 'Project Costs' rather than 'Core' running cost grants, which can limit opportunities to apply for certain monies.

The Soup Kitchen is also paying out at present a lot of money to rebuild their food van.

Finally, we hope to move into a new building this year, which will increase our services and of course our outgoings. This will help cater for the increased need for outreach and support required locally.

West Berkshire Homeless

The charity West Berkshire Homeless (Newbury area) has seen a significant increase in requests for support and payments made to recipients in need:



Loose Ends

Loose Ends financial year ended on the 31st May and so they are still collating the data for the year. They report that their main service for vulnerable adults has been busy this year but there has not been a notable increase in meals served over the course of the year on current data. They go on to report that *‘in view of the profile of our adult clients, we are probably a lag indicator in terms of people’s experience of the cost of living crisis - I suspect we are more likely to see the impacts feeding through in the coming year. However, I can say that the financial pressure has been noticeable and that we have been spending around a £1,000 more on food than we did last financial year - nearly 20% more. At the same time food donations have dropped off.*

Late last winter, Loose Ends also started on Monday’s a free food service for vulnerable families and children referred by primary schools, Homestart and the Children’s Centre. This has been well attended and we are running at virtually full capacity most Monday’s. We are expecting to extend this service over the summer holidays, possibly including a play element.

Newbury Community Resource Centre

The Resource Centre report that the rate of requests for assistance with essential household goods has not diminished since the onset to the CoL crisis. In the period April to May they incurred costs of just over £20,000 fulfilling requests for furniture and white goods, with over 90% of applications being received through West Berkshire Council staff.

With only 16.6% of the year elapsed they have expended 29% of the annual budget. The Resource Centre report this is not sustainable and they anticipate the demand continuing for some time to come.

Citizen Advice West Berkshire

CAWB have seen a significant increase in cases where clients are facing severe housing problems, specifically related to damp and mould. They have also seen a significant increase in the number of clients we helped this quarter in comparison, not only, with the previous quarter but also with Q1 of last year, In Q1 2022-2023 CAWB

approximately 506 clients. The top three issues brought CAWB related to benefits and debt followed by housing. However, in Q1 of 2023-24, CAWB have seen a total of 701 clients which is an increase of over 35%. The main issue clients came to us with was still benefits (PIP and general entitlement mainly) followed by housing and relationship breakdown.

Berkshire Vision (BV)

Berkshire Vision report that the cost of living crisis has a greater impact on blind and partially sighted people than the general population ('Why the cost of living crisis has a bigger impact on people with sight loss' report, RNIB August 2022). It is reported that blind and partially sighted people are more than twice as likely to report an increase in public transport costs (45% compared to 22%) yet they are more reliant on it as they cannot cycle or drive and face greater barriers to navigating safely on foot independently. In addition the use of BV's own minibuses has increased and with it our costs, as family members can no longer transport them or it has become the only viable option. 1 in 10 have either started using or increased their dependency on foodbanks.

BV membership (and so those needing support) has doubled in the last 2 years. Our activities are subsidised and some members are choosing free activities rather than those with a fee. Others have stopped attending completely. There has also been an increase in Volunteers claiming their expenses.

BV report rising costs are impacting the organisation in a number of ways. Many of the members need the organisation to provide their information in large print hard copy (people with sight loss are twice as likely to be digitally excluded as the general population) but rising paper and associated printing costs have made this very difficult with these costs increasing by £1780 in just one year. The costs of producing Insight and the activities calendar in accessible formats have increased by over 30% (this is due to the increased costs of the CDs and USBs required for audio formats and the larger amount of printing to generate large print.

- 6.2 As can be seen above the local voluntary sector organisations are all reporting an increase in the impact of the high cost of living levels on local residents at the same time those increases are causing challenges to the organisation in rising demand and increases in their own operating costs. Predicting and projecting these trends will remain a feature going forward.

7. Conclusions and Next Steps

- 7.1 The collective response over the 2022/23 winter period is considered to have been effective in both its accessibility and delivery. Certainly those that responded to the Hub Survey were satisfied the service provided and many of those that answered with a narrative expressed the value of the service in clear terms.
- 7.2 It was a clear example of the effectiveness of cross service working within West Berkshire Council and the effectiveness of wider collaboration between the Council, Greenham Trust, The Volunteer Centre and a range of local voluntary sector providers, a number of whom are referred to in this report.
- 7.3 Looking ahead, the cost of living indicators paint a picture of a challenging period for many residents and a continued and increasing reliance on effective advice,

signposting and referral and the provision of valuable local support by a range of organisations. But as the summary at 6.1 above shows, a number of those organisations are themselves under pressure which is likely to increase.

7.4 It is clear that this is also a matter of public health with the escalating cost of living often affecting physical and mental health. A better understanding of the health impacts of those accessing cost of living support services would help to inform future decision making and provision. It is proposed to seek to ascertain this information.

7.5 Whilst the substantive recommendation of co-ordinated approach is set out at 2 above. There are a number of issues under consideration. These include:

- How do we build on the success of the Community Hubs?
- Should we re-open the cost of living response as a designated hub response?
- How much demand is there for outreach delivery of key community services such as public protection?
- What does outreach look like?

It is proposed the statutory and voluntary sector and other interested partners meet to consider these and other salient questions. We will return with more answers to the next meeting of the Board.

8. Appendices

Appendix A – Cost of Living Appeal – Grant Awards

Appendix B – Cost of Living – Examples of Communications

Appendix C – Cost of Living Support Hub Data

Appendix D – ‘Be Well this Winter’ headline data

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.

Appendix A