
Local Response to Cost of Living Increases Update Report

Report being considered by: Health and Wellbeing Board

On: 7 December 2023

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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 rise in the 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 22nd February 2024.

3. Executive Summary

3.1 On 13th July 2023 and 3rd October 2023 the Board received an update on the response by the Council and voluntary sector partners to support residents facing challenges as a result of increase in the cost of living.

3.2 Since the 3rd October meeting we have seen further decreases in the headline rate of inflation. The Office for National Statistics has reported that the headline Consumer Price Index (CPI) rate in the year to October 2023 stood at 4.6% with CPIH (including owner occupiers' housing) at 4.7%. The inflation rate for food and non-alcoholic beverages stands at 10.1% (down from 12.2% in September 2023) although the rise in prices in October had fallen to 0.1% from 2% in September. Whilst the inflation rates are falling they still present an increase in prices and a significant challenge and are one of the major causes of financial pressure for households.

3.3 Although gas prices fell by 31% and electricity prices fell by 15.6% in October 2023 gas prices are still 60% higher than two years previously and electricity prices are 40% higher than two years ago (in October 2021 the energy price cap stood at £1,277 per annum). On 23rd November 2023 Ofgen announced changes to the price cap which will go up from £1,834 to £1,928 (increase of circa 5%) per year as of 1st January 2024 for dual fuel users paying by Direct Debit. Those paying on receipt of a bill will also see prices rising by around 5% to £2,058 for a typical home.

- 3.4 The cost per unit for a typical user paying by Direct Debit will increase to 28.62p/kWh (currently 27.35p/kWh) for electricity and 7.42p/kWh for gas (currently 6.89p/kWh). The average daily standing charge will remain at 53.4p/day for electricity and 29.6p/day for gas. These standing costs mean that on average households paying by direct debit are charged £303 before they use any gas or electricity.
- 3.5 Motor fuel prices rose between September and October with the average price of petrol up 1.5 pence per litre and diesel prices up 4.8 pence per litre. Around 4 in 10 adults who pay energy bills in the UK have said that it is very or somewhat difficult to afford them. The increase in petrol and diesel prices would appear to be sustained with prices around 155p per litre for petrol and 160p for diesel at the time of writing.
- 3.6 On 22nd November 2023 the Chancellor announced that there would be a 2% cut in National Insurance effective from January 2024. However, personal allowances are to remain frozen until 2028. The National Living Wage is to rise to £11.44 with effect from April 2024 along with a 6.7% increase in work based benefits and 8.5% increase in state pensions.
- 3.7 At the meeting on the 3rd October 2023, we reported that a meeting had taken place between the Council, Greenham Trust and a wide range of voluntary sector organisations. A further meeting is taking place on 1st December 2023 and a verbal update will be given at the Board meeting.

4. Update Report

Household Support Fund

- 4.1 At the meeting of the Board on 3rd October 2023 the allocations for the HSF were set out for the Board. As of 20th November 2023, the number of applications for 2023/24 against the main fund stood at 1,662 of which 1,038 have been approved and 516 rejected. The total spend currently against the main allocation is £232k. Of the 516 rejected, the main reason for rejection was as follows:
- Not eligible based on application;
 - Insufficient evidence of eligibility submitted when requested;
 - Already received support in the current tranche
- 4.2 At the meeting with the voluntary sector on 29th September 2023, there was discussion about flexibility and funding with respect to achieving the aims of the Household Support Fund. On 7th November 2024, the Council resolved to increase the allocation to match funded support (with Greenham Trust) for the voluntary sector to £70K giving a total grant allocation of £140K for the coming period to 31st March 2024.
- 4.3 A further review of the fund has also taken place. A number of adjustments to the current spend are proposed. At the time of writing these have not been finalised however it is planned that they are considered as an [Individual Member Decision on 14th December 2023](#). The proposals are likely to include the following areas of focus:

Scheme	Proposal under Consideration
Assistance for Food and Energy	<p>Many of the requests received by the HSF are for support in the range of £30-£50 or under for short term assistance with food and energy top ups.</p> <p>It is proposed to work with the voluntary sector to administer these payments within the terms of the scheme guidance.</p> <p>The advantage is it will be available a lot quicker than a payment arranged by WBC. It will also be available out of hours.</p> <p>There will also be targeted support for those who are in emergency accommodation.</p> <p>To compliment this approach we are rolling out training for relevant staff across the Council on the referral process.</p>
Essential Household Goods Scheme	<p>Additional funding to support the provision of white goods, cookers, beds, furniture, utensils and more.</p> <p>The contribution will be added to the £30K additional support already provided by the joint Cost of Living fund.</p>
Discretionary Assistance Fund	<p>WBC work with a range of providers to allow residents to apply for assistance with respect to provision of carpets and curtains where those eligible move in and none are provided. This will also assist with reducing energy consumption.</p>
Targeted support for Pensioners	<p>Extend successful existing scheme administered through Fair Close working with Age UK and Church Groups. We are also looking at options around working with Adult Social care.</p>
Support for Young Carers	<p>200 children are identified as carers by the Council (with more unidentified).</p> <p>No national funding is available for young carers.</p> <p>A grant to deliver support in partnership with voluntary sector.</p>

4.4 In addition, we are looking at options around support for those leaving care.

4.5 At the last meeting, the Board received an update on the promotion of the fund including fund criteria and routes to access support. In addition to those steps set out in the last report other routes have been developed:

- Promotion through libraries;
- Encouraging referrals by partner organisations;
- Attendance at the event organised by Laura Farris MP;
- A number of street level engagement events are planned by attending markets and other venues (such as supermarkets) across the district including Lambourn, Hungerford, Newbury, Thatcham, Theale and Calcot.

Other Initiatives

- 4.6 On 17th November 2023 Laura Farris MP organised a ‘cost of living’ event at the Old Blue Coat School in Thatcham. The event was supported by a range of local organisations including housing, banking, utilities companies, the Fair Close Centre and West Berkshire Foodbank as well as West Berkshire Council’s Building Communities and Housing Team. The latter promoting the Household Support Fund.
- 4.7 Additionally, a number of meetings have taken place with organisers of Community Welcome Spaces (formally warm hubs). It is the intention of many organisers to develop these initiatives further. On 23rd November 2023 the government has also issued an evaluation and toolkit for organisers which can be found here: [Warm spaces in England: an evidence review and toolkit for local organisations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/warm-spaces-in-england-an-evidence-review-and-toolkit-for-local-organisations). The Building Communities Team continue to map the spaces and the current list is here: [Community Welcome Spaces in West Berkshire - West Berkshire Council](https://www.westberks.gov.uk/building-communities-team).
- 4.8 On 23rd November 2023, Greenham Trust hosted a funders forum attended by a range of organisations including WBC, Sovereign Network Group, local charitable trusts and others. West Berkshire Foodbank, Community Resource Centre and Newbury Soup Kitchen all gave an update on demand and challenges going into the winter. A range of issues were discussed, including: pressures in staff and volunteers, unpredictable additional costs, the need for longer term funding commitments, and increasing demand. Also discussed was the need for an updated needs analysis and a scoping exercise on funding and provision to ensure targeted and flexible interventions are in place. This will be discussed at the meeting on 1st December 2023 and again the Board will be updated.

5. Conclusions and Next Steps

- 5.1 The cost-of-living challenges faced by many have not gone away. We are now heading into the winter period and whilst headline inflation has fallen, food inflation, fuel and energy costs remain higher than the winter of 2021/22.
- 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. Through this we continue to evaluate as we build a model for the future.
- 5.3 The next time the Board meets, we will be able to update further in context of the winter period that we are now entering.

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.
