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# Poverty and Cost of Living Update

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**Report being considered by:** Health and Wellbeing Board

**On:** 6 March 2025

**Report Author:** Sean Murphy

**Report Sponsor:** Sean Murphy



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**Item for:** Decision

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## 1. Purpose of the Report

The purpose of this report is to help the Health and Wellbeing Board keep a watching brief on cost of living issues and the collective response to the impact on residents in West Berkshire.

## 2. Recommendations

That the Health and Wellbeing Board:

- (a) **IS INFORMED** about the current position.
- (b) **RESOLVES** that the Service Lead for Public Protection provide an update to the Board at its next meeting.

## 3. Executive Summary

- 3.1 The Board has now received seven updates on the local response by the Council and voluntary sector partners to support residents facing challenges due to financial pressures. The most recent was on the 5 December 2024. This report updates on matters since December.
- 3.2 In January 2025, the Office for National Statistics reported that the headline Consumer Price Index (CPI) rate in the year to October 2024 stood at 3.0% up from 2.5% in December 2024 and up from 1.7% in September 2024. Food and Beverage costs have risen 3.3% in the year to January up from 2.0% in December 2024. More significantly prices are predicted by retailers to rise further as a result of the increase in employer national insurance contributions in April 2025. There is also upwards pressure on CPI from wage inflation.
- 3.3 The average monthly private rent in West Berkshire was £1,236 in December 2024. This was an increase from £1,163 in December 2023, a 6.2% rise.
- 3.4 The energy price cap rose to £1,738 in January 2025 and is predicted to rise by 5%-7% in April 2025 before flatlining or falling very slightly in June. There are some fixed price tariffs available, but the savings are well below those offered a few years ago. All in all, the picture is rising costs for households hitting the most vulnerable hardest.
- 3.5 The voluntary organisations and charities assisting those struggling financially are reporting significant increases in demand for support and advice. This is also borne out by demand for personal / family grants from the Household Support Fund.

- 3.6 The introduction of the Renters Rights Bill (which is subject to a report elsewhere on this agenda) may well have an impact on the housing rental market. It will bring in new laws for private landlords that are designed to improve housing quality and improve overall protection for tenants. The Decent Home Standard will require landlords to keep homes free from health and safety hazards and be kept in a good state of repair. There will be a specific emphasis on damp and mould and a proposal to raise the lower energy efficiency banding on new lets from E to C.
- 3.7 No fault evictions under Section 21 will be abolished, which will mean that landlords will only be able to evict a tenant in circumstances set out largely in a revised Section 8 of the Housing Act 2004. We don't know if this will increase evictions ahead of likely enactment in April 2025.

#### 4. Update Report

##### Household Support Fund (HSF)

- 4.1 The government announced in October that there was to be a second tranche of funding for 2024/25. The allocation for West Berkshire for Tranche 2 was £694K. The allocations by the Council were set out in the report here: [HSF Individual Decision Report Update October 24.pdf](#)
- 4.2 Demand for grants under the main fund has been significant in Tranche 2 and the figures are set out below. At the time of writing the balance on the main fund allocation for HSF grants to individuals stood at £26,350 with 6 weeks of the period to go.
- 4.3 The following table sets out demand in 2024/25 to date:

	Tranche 1 (1/4/24 - 30/9/24)	Tranche 2 (1/10/24 to 31/3/2025)
Households with children	678	£188,350
Households with Pensioners	18	
Households with disabilities	397	
Households with single occupants	114	£47,250
Total direct applications received (Tranche 2 correct to 11/11/24)	<b>1207</b>	
Spend	£307,849	£235,600
Total spend including direct award	£629,849	£340,600

- 4.4 At the 20<sup>th</sup> February 2025 a total of £103K had been awarded (of which a total of £91K has been paid out) as follows:
- Food Bank £21k
  - Soup Kitchen £15k
  - Action for Refugees £5k
  - Community Furniture Project £50k
  - Fair Close Day Centre £5k
  - CAB £7k

- 4.5 The government have announced in the autumn budget statement that there will be a further round of funding for 2025/26. The amount and grant conditions will not be known for some time.

### 5. Voluntary Sector Update

- 5.1 **Greenham Trust** There is around £56K left in the Joint Cost of Living Fund between GT and WBC. The Trust reported that two grants have been awarded from the Joint Cost of Living Fund for Fairclose (Age Concern) (meal subsidy for seven months) and Berkshire Healthcare Trust (Winter Essential Packs). The Trust added £12K from their Sleep Out event in the autumn. With respect to “Let’s Get Mindful”, 6 applications have been received so far – £60k in the pot. Organisations were encouraged to apply for grants.
- 5.2 **West Berkshire Homeless** are receiving 12-15 calls a day with immediate support usually required, and around 5 calls a week from people who need somewhere to stay. All are referred to council, but some come back. The charity met with Lee Dillon MP recently around the definition of vulnerable and Lee agreed to take up with the Deputy Prime Minister, Angela Raynor. In Wales and Scotland, vulnerable is when you are homeless. This is not the case in England and West Berkshire Homeless consider that the Law needs changing in England.
- 5.3 **Loose Ends** reported that generally things were going well, although numbers fluctuated significantly, with little indication as to why. On a positive, they still have lots of volunteers. They had also recently been awarded the Kings Award for Voluntary Service.
- 5.4 **West Berkshire Council for Refugees** reported they had an ESOL meeting coming up to look at how to better coordinate access to statutory services. They currently had a caseload of 170 – various issues. One issue that was raised was that the single justice system was increasingly causing problems with understanding the forms.
- 5.5 **The Community Resource Centre** Household goods fund – up 20% this year – 70% of referrals are from WBC. Further discussions needed with WBC on budget and funding for 2025/26.
- 5.4 **West Berkshire Foodbank** were exceptionally busy over Christmas sending out 22,323 meals to residents in West Berkshire. Each household received a standard food parcel, an additional 12 Christmas items such as Christmas cake, selection box, stuffing, cranberry sauce, pulling crackers etc. The Foodbank also shared supermarket vouchers with every household to allow them to purchase a fresh Christmas dinner.

Donations were good in December 2024 and the food bank received over 18 tonnes of food and essential items, so currently have healthy stock levels. In terms of full year core data from Jan - Dec 2024, the top three reason for needing a referral to the foodbank were:

- Rising cost of essentials 21.3%
- Ongoing impact of physical or mental health condition 15.2%
- Priority Debt 11.1%

The foodbank reported that 28% of clients were in receipt of wages and that low income was the main reason for clients receiving over 3 vouchers in a 6-month period. (30.7%). Further data includes:

- 41.3% of clients receiving food support were children under 16yrs
- Households supported with children stood at 68.1%,
- 560 seven-day food parcels were distributed to over 65yrs
- 78% of clients received 3 vouchers or less.
- There were 663 first time foodbank users.
- Stock in 142,865kg – Stock out 154,882kg – 12 tonnes deficit for the year

5.6 **West Berkshire Action for Refugees** report a range of issues, including difficulty sourcing housing for single person households. In addition, they report that most have their skills under-utilised in employment terms. Many are reported as starting in poverty, and affordability of clothing, household goods etc. is an issue. Finally, there are issues faced in relation to accessing intensive English language lessons and digital exclusion.

## 6. Conclusion and Next Steps

- 6.1 The rise in demand for support from the voluntary sector and the Household Support Fund remains on an upward trajectory. The rise in energy costs (and proposed further rise) combined with sustained periods of cold weather and withdrawal of the winter fuel allowance could increase indebtedness.
- 6.2 The Implications of the Renters Rights Bill on the rental market are not known. There are uncertainties about the implications of the budget and in particular the NI increase, but there is growing consensus that this will drive consumer price inflation.
- 6.3 A further report will be produced for the next meeting of the Board should the Board determine it wishes to receive one.

## 7. Appendices

None

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### Background Papers:

None

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### 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

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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.

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