



## HEALTH & WELLBEING BOARD

Date: 29<sup>th</sup> September 2022

REPORT TITLE:	COST OF LIVING
REPORT OF:	DIRECTOR OF PUBLIC HEALTH

### REPORT SUMMARY

This report provides a current overview of the challenges local people are facing because of cost-of-living pressures and outlines proposed action to mitigate impacts and support residents.

This matter affects all wards within the Borough; it is not a key decision.

The activities outlined in this report support the vision of the Wirral Plan 2021-2026, to 'create equity for people and place' and will contribute directly or indirectly to delivering the five themes of the plan:

- Sustainable Environment
- Brighter Futures
- Inclusive Economy
- Safe and Pleasant Communities
- Active and Healthy Lives

### RECOMMENDATION/S

The Health and Wellbeing Board is recommended to:

- (1) Commit to taking action to address cost-of-living pressures
- (2) Develop appropriate collaborative working arrangements and joint action plans to mitigate the impacts of the cost-of-living pressures on residents

## SUPPORTING INFORMATION

### 1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To provide members of the Health and Wellbeing Board with an update on the pressures local people are facing due to cost-of-living pressures and proposed activity to mitigate impacts and support local people.

### 2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other options considered include not taking local action in relation to the cost-of-living pressures or to act as individual organisations. These options pose a risk to the health and wellbeing of residents, risk duplication of effort and an uncoordinated approach. Therefore, they have not been considered.

### 3.0 BACKGROUND INFORMATION

- 3.1 Cost-of-living pressures are having impacts on people in every part of our borough. Price rises driven by energy price inflation are having an impact on most households, with those on the lowest incomes likely to be hardest hit (particularly as benefit uplifts fail to keep pace with inflation).
- 3.2 By driving people deeper into poverty, or by pushing those who had previously been coping into financial hardship, it is very likely that the rise in cost of living is going to intensify health inequalities.
- 3.3 Poverty, poor health outcomes and health inequalities are inextricably linked. Marmot and others have set out that the lower one's social and economic status, the poorer one's health is likely to be. People living in the poorest neighbourhoods in Wirral will, on average, die twelve years earlier than the people living in the richest neighbourhoods. People living in poorer areas also spend more of their lives with a disability – an average total difference of seventeen years.
- 3.4 Extensive qualitative and quantitative analysis has been collated to understand current and projected impacts on residents, as well as reviewing evidence for local action that can be taken to mitigate the impacts; this can be found here: <https://www.wirralintelligenceservice.org/state-of-the-borough/cost-of-living-crisis-2022-23/> .

Pressures on the cost of living pose a significant risk to health, wellbeing, social care and public health because:

- Low-income households spend a larger share of their income on energy and food; the Office for Budgetary Responsibility (OBR) is projecting real disposable incomes to fall by 2.2% this year (this would be the largest decline on record), which will therefore particularly affect low-income households and push more people into poverty.
- It is already well evidenced that deprivation is associated with poorer health outcomes (including through stress; anxiety; substance misuse, diet etc.),

further inflationary pressures are likely to widen already existing health inequalities.

- Rates of fuel poverty have increased since summer 2021 largely due to the increasing cost of fuel, which is predicted to continue to rise. Homes that are cold due to fuel poverty exacerbate health inequalities. Cold homes can cause and worsen respiratory conditions, cardiovascular diseases, poor mental health, dementia, hypothermia, and problems with childhood development. In some circumstances, health problems may be exacerbated to a degree that they may cause death.

### **3.5 How we currently support residents in Wirral**

- 3.5.1 The Government has taken action to respond to cost-of-living pressures. Earlier this year a Council Tax rebate of £150 per Band A-D house was announced, along with a repayable £200 loan scheme to offset increasing energy bills. Whilst recent government announcements have increased the support available, including increasing the energy bill discount to £400 and making it non-repayable, and making a £650 payment to low-income households on certain means-tested benefits. We are also awaiting more detail regarding the energy cap announcement made by the Prime Minister on the 8<sup>th</sup> September 2022.
- 3.5.2 At a local level we have been taking action to support our communities for some time: Wirral Council and the Integrated Commissioning Board currently spends £1.4m per annum to support residents in financial need through the Ask Us Wirral contract delivered by Wirral Citizen's Advice and Age UK Wirral.
- 3.5.3 External support is already available to help ease pressures through one-off financial assistance packages. This includes the Council Tax Support Scheme, Emergency Financial Support Scheme and Discretionary Housing Payments.
- 3.5.4 Wirral Council has established a 'Cost of Living Action Group' chaired by the Chief Executive to co-ordinate local action. The group's mission is to "mitigate the impact on people already experiencing financial hardship, to prevent others from becoming financially insecure and to prepare to support people when they need help".

### **3.6 Next Steps**

- 3.6.1 It is proposed that the action group be widened to include Strategic Partners and that a multi-agency partnership summit be organised to develop a comprehensive and co-ordinated action plan to support local people.
- 3.6.2 A grants programme, utilising £1.2m of Contain Outbreak Management Funding (COMF), will provide community, voluntary and faith sector organisations with an opportunity to apply for funding for initiatives to support residents. Grants of up to £200,000 will be made available to take action to address food and fuel poverty. A further £0.5m of the COMF grant has been identified for action to tackle fuel poverty.
- 3.6.4 Working is taking place across the health and social care sector to support our most vulnerable residents.

- 3.6.5 We are in discussion with Merseyside Fire and Rescue Authority to enhance their safe homes scheme.
- 3.6.6 A collaborative, wide-ranging communications campaign will promote the financial and non-financial support more widely across the Borough. The method for communications will be through current channels, as well as utilising Community Champions to promote key messages. A copy of the communications plan will be shared with all Members to enable them to share the information with residents and promote the messages across the whole Borough.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Cost-of-living pressures will continue to have financial implications for Wirral residents, but will also affect businesses, CVF sector, the Council and partner organisations. The funding identified to support the CVF grants and fuel poverty support is through the COMF grant, which is one-off funding, required to be spent by 31<sup>st</sup> March 2023.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 Many of the services and support mechanisms provided by the Council are carried out through a variety of legal powers that assist those functions, having regard to the public sector equality duty, best value and other requirements.
- 5.2 As well as exercising its powers under these specific provisions, the Council has a wide ranging general power of competence that will enable it to act in a way to secure the best interests of the Borough, its economy and the persons resident or present in its area.

#### **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The work described within this report will identify any future resource requirements.

#### **7.0 RELEVANT RISKS**

- 7.1 Continuing engagement from the Community, Voluntary and Faith Sector is key as is the contribution from Wirral partners. As part of this work relevant risks will be identified related to the workstreams outlined.

#### **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 An extensive piece of engagement collated from resident feedback has been carried out by the qualitative insight team. A copy of the report can be found here: <https://www.wirralintelligenceservice.org/state-of-the-borough/cost-of-living-crisis-2022-23/>

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 Through the Mental Health Alliance a group of people with lived experience have supported the development of this work programme and have provided scrutiny of engagement and outputs to ensure they are inclusive.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 Actions to mitigate the cost-of-living crisis will also contribute towards attainment of Wirral Cool 2 Strategy, and the Councils carbon net zero target by 2030. For example:

- Heating and powering buildings currently makes up 40% of the UK's total energy usage. Support provided to reduce risks of fuel poverty may include improving the energy efficiency of homes, which will have a beneficial impact on reducing carbon emissions. The grant scheme may also reduce home energy use via the provision of warm hubs if established.
- Initiatives related to supporting people in food poverty may also support the reduction of food waste.

**REPORT AUTHOR: Julie Webster**

Director of Public Health

Telephone: 0151 666 5142

Email: [juliewebster@wirral.gov.uk](mailto:juliewebster@wirral.gov.uk)

## **APPENDICES**

N/A

## **BACKGROUND PAPERS**

Cost of Living Crisis, Wirral Intelligence Service JSNA, Wirral Council:

<https://www.wirralintelligenceservice.org/state-of-the-borough/cost-of-living-crisis-2022/>

Citizens Advice Bureau, Cost of Living Crisis dashboard:

<https://wearecitizensadvice.org.uk/our-new-cost-of-living-dashboard-the-crisis-were-seeing-unfold-aac74fb98713>

Local Government Association, Cost of Living Evidence Hub: <https://www.local.gov.uk/our-support/safer-and-more-sustainable-communities/cost-living-hub>

Institute of health equity. Fuel poverty, cold homes and health:

<https://www.instituteofhealthequity.org/resources-reports/fuel-poverty-cold-homes-and-health-inequalities-in-the-uk/read-the-report.pdf>

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>