

Item No.	Classification: Open	Date: 17 November 2022	Decision Taker: Health & Wellbeing Board
Report title:		Cost of living profile	
Ward(s) or groups affected:		All Southwark wards and population groups	
From:		Sangeeta Leahy Director of Public Health Southwark Council	

RECOMMENDATION(S)

1. The Southwark Health and Wellbeing Board note the findings of the cost of living profile – how the crisis will affect residents, how this is likely to affect different population groups, how this will impact health and wellbeing and what national and local measures are in place.
2. The Board advocates for the South East London Integrated Care Partnership Strategy to include proposals that can alleviate the cost of living crisis and impact on health and wellbeing.
3. The Board agrees the following actions in response to the cost of living crisis:
 - Strategies and plans developed by Health and Wellbeing Board partners include how they will contribute to alleviating the impact of the cost of living crisis on residents and staff;
 - A Protected Learning Time Event is delivered to GPs, to raise awareness of local sources of support for residents struggling with the impact of the cost of living crisis;
 - Information about the local support offer is disseminated through Community Health Ambassadors and Social Prescribers;
 - Training is delivered to health and social care practitioners who may visit people’s homes, to ensure they are aware of the health risks of a cold home and how to identify at-risk people;
 - Further sessions on practical measures to help alleviate cost of living pressures are delivered to staff groups / organisations who have not yet been engaged.
4. The Board notes the Community Referral Pathway into Southwark Council Cost of Living Fund (SCCOLF) and identifies any organisations to become referring partner such as primary care.

BACKGROUND INFORMATION

5. The 'cost of living crisis' refers to the fall in 'real' incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. It is being caused predominantly by high inflation outstripping wage and benefit increases and has been further exacerbated by recent tax increases. The cost of living crisis is affecting several aspects of the wider determinants of health, and will continue to as negative impacts accumulate over time.
6. The Cost of Living Profile was produced in July 2022 (Appendix 1) and circulated with relevant colleagues across the council who are also working to support residents. An Autumn update was shared in October 2022 (Appendix 2).
7. Energy, food and transport are main drivers of rising inflation, but harder for households to cut back on. Government support to limit this will help to reduce the extent of that rise but will still leave many struggling to meet increasing costs across multiple areas.
8. Households are limited in the extent to which they can reduce their consumption of these essential goods. This creates a challenge for low-income households in particular, where there is less room within household budgets to absorb the higher costs.
9. Blanket government measures of £400 energy rebate and the Energy Price Guarantee will help reduce the sharp increase in fuel costs. Households will still have a 27% increase in energy costs from 1 October, after a 54% increase in April, equivalent to 96% increase on previous year. Once the £400 energy rebate is applied, the average household will have a 64% increase.
10. There are additional government measures in place to support people who receive means-tested benefits, disability benefits, pension credit. The extent these help to cover additional costs will be affected by individual circumstances – caring responsibilities, disability, number of dependants.

KEY ISSUES FOR CONSIDERATION

Cost of living profile

11. The rising costs of food and fuel will have direct impacts on health and wellbeing, with those who already experience problems meeting these costs most affected.
12. Food insecurity and access to nutrition
 - With increasing food costs, it will become increasingly difficult for those on lower incomes to afford to eat a healthy diet.
 - The rising cost of food has led to an increase in people reporting that they are cutting back on meals or missing food altogether.

9.1 Fuel poverty

- Cutting back on heating has been a common response to rising costs of energy prices.
 - Cold homes can affect or exacerbate a range of health problems including respiratory problems, circulatory problems and increased risk of poor mental health.
 - The Institute for Health Equity have reported that 10% of excess winter deaths are directly related to fuel poverty in England, and 22% are related to cold homes.
13. Debt, financial stress and mental wellbeing
- In September, half (48%) of Londoners were very worried about increasing living costs, and additional third (35%) fairly worried. 88% of social renters were worried about living costs overall (vs 83% total).
 - Debt problems can lead to poor mental and physical health, and stress around finances can make managing debt more difficult.
14. Transport poverty
- Costs of transport will affect Southwark residents differently, with the cost of fuel rising more sharply than Transport for London prices.
 - Reduced access to transport can affect access to employment, education, healthcare, shops including essentials, with both immediate and longer term impacts on health and wellbeing.
15. Housing instability
- Crisis estimated in February 2022 that homelessness in England could increase by a third to 66,000 people as a result of the increasing cost of living and the end of COVID-19 eviction bans.
16. Whilst everyone will experience rising costs of essential goods, which are difficult to cut back on, low-income households, have less flexibility in their personal finances to absorb the extra costs.
17. People on low-incomes, especially those who do not receive Universal Credit
- 14% of Southwark households are in the lowest income quintile (less than £11,856 gross income per year). This group spend around 40% of their weekly spend on food, fuel and housing.
 - There is targeted assistance, but those on low incomes not receiving Universal Credit will be most affected.
 - A survey by The Trussell Trust showed that most Universal Credit recipients spent their first cost of living payment within weeks of receiving it in July.
18. Residents of Faraday, Old Kent Road and Peckham wards
- These wards have the highest percentage of residents in the lowest three income decile groups (less than £17,420 gross income per year) and the highest percentage of residents who receive Universal Credit.
 - These wards are also amongst the highest for fuel poverty in the borough (a nationally calculated measure which combines energy efficiency of a property and income to determine whether energy bills

are affordable).

19. Residents of Camberwell Green, Nunhead and Queens Road
 - In 2020, fuel poverty was highest in these wards at 15%, with some communities at 16-20%.
20. People with disabilities
 - In 2019, people with a disability were more likely to be in fuel poverty in Southwark.
 - Across London, people who are deaf or disabled are more likely to report financially struggling/ just about managing in September 2022.

Measures in place

21. A range of national and local measures are in place to support residents through the cost of living crisis. These are detailed in the 18 October Cabinet report titled '[Southwark's response to the cost of living crisis](#)' (Appendix 3).
22. In addition, a guide and information webinar has been delivered to over 500 partners and colleagues from across the council, local NHS, voluntary and community sector, faith groups, Tenants and Residents Associations, and schools. This has signposted frontline practitioners to sources of support available to residents most affected by the cost of living crisis, including a 'Worrying about money' leaflet and app that helps residents find the right advice and support in Southwark.
23. The Cost of Living profile was recently presented to the Partnership Southwark Strategic Board, with the discussion helping to shape the recommendations in this paper.
24. The Cost of Living Summit on 8th November 2022 was delivered by Southwark Council to come together to tackle the biggest challenges our residents face this winter. It was attended by around 95 people from NHS, voluntary and community sector organisations, funders, schools, housing associations, community champions, tenants and residents associations. The summit included speeches from the Leader of Southwark Council, Helen Hayes MP for Dulwich and West Norwood, Citizens Advice Southwark, and discussions on several aspects of the cost of living including financial support, children and young people, housing and older adults.

Community Referral Pathway into Southwark Council Cost of Living Fund

25. The Council has set aside up to £1m from its Cost of Living Fund (2022/23) to support the increased number of Southwark households who are at risk of fuel poverty due to the impacts of soaring food and energy prices.

26. The links between poorly heated homes and poor health outcomes are well-proven. No Southwark household should face a choice between heating and eating but we know that many more Southwark households are faced with that risk – including many households who would not normally see themselves as vulnerable.
27. The government and the Council are already providing extra support for low-income households who receive means-tested welfare benefits but analysis by the Council's Public Health team has identified low-income households *outside the benefit system* – not claiming means-tested benefits, not eligible for them, or struggling to access benefits due to immigration or residency issues – as among the groups at greatest risk of hardship this winter.
28. More than thirty thousand Southwark homes use prepayments meters to pay for energy – more than in any other London borough. Those using prepayment meters have to pay for their energy in advance and are most likely to “self-disconnect” with all the risks to their well-being that could entail.
29. A new **Community Referral Pathway** will offer a means by which more vulnerable and at-risk households may be identified and the reach of the Cost of Living Fund extended. Health and care partners such as GP practices are uniquely well-placed to identify the most vulnerable households. Where they identify a patient, service user or staff member as vulnerable and refer them via the pathway, they may be confident those referred will receive cash support quickly. This can be seen as a form of social prescribing. The referral system is based on a short e-form that is simple to complete, and unintrusive. The eligibility criteria are simple and the Council will rely on the judgement of the referring partner as to whether the household referred is in need or at risk. Support is usually provided as a one-off flat-rate payment of £100. Payment takes the form of a Post Office Payout voucher redeemable at any Post Office counter sent by email or 1st class post. Help with redeeming vouchers is available for those who need it.
30. Where health and care partners are referring their lower-paid or part-time staff who may be reliant on means-tested benefits, they may do so confident that payments from the Cost of Living Fund are disregarded as income and will not affect the recipient's other benefit payments

Community, equalities (including socio-economic) and health impacts

Community impact statement

31. The cost of living work has highlighted the communities who are likely to be most affected and has informed the council's response to support these communities.

Equalities (including socio-economic) impact statement

32. The cost of living crisis will disproportionately affect those from lower socio-economic groups, with a focus on low income households. There has been proactive identification of groups who will require more support alongside a targeted response from the council.

Health impact statement

33. The cost of living crisis will affect many aspects of the wider determinants of health. Communication of this with partners to make them aware of additional challenges will help to reduce the negative health impacts of the crisis.

Climate change implications

34. There are no climate change implications.

Resource implications

35. There are no resource implications.

Legal implications

36. There are no legal implications.

Financial implications

37. There are no financial implications.

Consultation

38. No consultation

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

39. None sought.

Strategic Director of Finance and Governance

40. None sought.

Other officers

41. None sought.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
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None

APPENDICES

No.	Title
1	Cost of Living Profile
2	Cost of Living Profile: Autumn update
3	Southwark's response to the cost of living crisis
4	Cost of Living Crisis - slide deck
5	Cost of Living Guide

AUDIT TRAIL

Lead Officer	Sangeeta Leahy	
Report Author	Chris Williamson	
Version	1.0	
Dated	7 th November 2022	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	No	No
Strategic Director of Finance and Governance	No	No
List other officers here		
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team / Scrutiny Team		