

REPORT TO: Health & Wellbeing Board

DATE: 9th October 2024

REPORTING OFFICER: Director of Public Health

PORTFOLIO: Health & Wellbeing

SUBJECT: Wider Determinants of Health: Review of the main national policy changes since Winter 2023 affecting the cost of living heading into Winter 2024

WARD(S) Borough Wide

1.0 **PURPOSE OF THE REPORT**

1.1 This report provides an update on the state of the cost of living crisis compared to last Winter and some of the recent policy changes that will impact residents in the coming months.

2.0 **RECOMMENDATION: That the Board**

- 1) **Endorse the work taking place in Halton.**
- 2) **Note the expected impact of recent policy changes and possible changes as a result of the Autumn statement.**

3.0 **SUPPORTING INFORMATION**

3.1 **Changes compared to last Winter**

Over the course of the past 12 months the shock of rising prices has begun to stabilise. Last month inflation was 2.2% compared to 6.8% this time last year. Although this is a much smaller rise this still means prices are rising month on month for all households. Furthermore, these rises do not reverse the sharp rises in household expenditure residents have experienced over the past few years since the pandemic. Below are the 3 main policy decisions we expect to impact residents the most this Winter and our continued work to provide support to those in need.

3.2 **Fuel Price Cap Changes**

Over the course of the last year the price cap which limits the amount you pay per unit of electric and gas has fluctuated on a quarterly basis. At the start of last Winter the cap was £1834 for a standard bill rising to £1928 in January this year. The cap then fell for two consecutive quarters dropping to £1690 in April and again to £1568

in July, the lowest bills have been since October 2021. However, for the start of this Winter the cap will rise again with the average household bill at £1717 annually for October to December however there is no upper limit on what you actually pay. The cap is reviewed quarterly with an adjusted figure for January to March to be announced towards the end of the year and expected to be a rise on the current figure. Although any rise heading into a period of high use is a concern these figures are down on the high of £2500 over the Winter of 2022 into the Spring of 2023 when we saw a great rise in demand for emergency support (Appendix 1). Furthermore, as we enter a third year of high energy prices there is less of a shock to residents of these figures. These figures should be used as context for the policy changes detailed below affecting certain demographics.

3.3 Fuel Allowance Changes

At the start of this month it was announced that starting this winter only pensioner households who claimed Pension Credit or other means tested benefits would be eligible for the Winter Fuel Allowance. This replaces the previous universal offer to all pensioner households. This will reduce the estimated number of households receiving a Winter fuel allowance from 10.8 million individuals to 1.5 million individuals. The payment was first introduced in 1997 and is an annual tax-free lump sum payment to support older people to keep their house warm during winter with payments of £200 for households under the age of 80 and £300 for those over 80.

For the past two winters on top of the standard payment there has been an additional Pensioner Cost of Living payment of £300. Therefore, households that are no longer eligible are losing between £400-£500 compared to previous years. Although universal payments will have covered those who don't require support there is a risk, as with all means tested benefits, that those who fall just outside the criteria may not have enough to ensure they remain warm over winter. Furthermore, as pension credit and any other means tested benefits need to be applied for there is additional risk those who would be eligible due to their financial position are not currently claiming either due to a lack of awareness or a lack of experience of navigating a welfare system.

3.4 Autumn Statement

On the 30th October the Chancellor of the Exchequer will deliver the Autumn budget, the first under the new government. Decisions are expected on a range of policies covering economic growth, employment rights and public spending. We will endeavour to advertise our available support to those most affected by policy changes while maximising the opportunities from any schemes announced that will be available locally.

3.5 **Winter Programme**

3.6 **Pension Credit**

Public Health will once again be proactively helping residents sign up to Pension Credit after success last winter. Working with our internal benefits team last year we identified 900 pensioner households that should be eligible for pension credit with each contacted and offered 1-2-1 support from the team to help with a long and complicated application form. Last year successful applications resulted in increased household income of £137,608. With the changes to the Winter Fuel Allowance stated above we hope the additional publicity for Pension Credit this has provided will lead to increased take up of our service.

DWP estimates 880,000 households eligible for Pension Credit are currently not claiming it with either a lack of awareness or issues with completing a complicated application form. This means households are missing out on both the regular financial support from Pension Credit and passported benefits such as the Winter Fuel Allowance that are automatically paid to households receiving Pension Credit. Households have until the 21st December to sign up to Pension Credit to receive their household Winter Fuel Payment which will be backdated.

3.7 **Winter Outreach**

As part of advertising the range of available national, local and voluntary sector support we will again be using our online Cost of Living webpage to promote services to residents and front line staff alongside some public events.

The Cost of Living webpage has been used as our main point of contact for the last two years. The page summarises all available support split into the main categories such as food support from foodbanks, community food outlets and vouchers and emergency fuel payments for those on pre-pay meters and direct debit. As well as crisis support the page also covers community sessions on offer such as charity groups offering warm spaces over winter and holiday activity sessions for children over Christmas. Last year the page was viewed on average 4200 times a quarter by residents and professionals and we will once again be making use of QR codes and weblinks for groups to add to their own webpages, newsletters and emails to help spread details of how to access support.

Furthermore, we continue to run our quarterly public Partners in Prevention event to bring together and promote local services to the public. The next event is on the 23rd September in the shopping centre at Halton Lea with partners in the health improvement team and 25 voluntary groups coming together to sign people up to their

services ahead of Winter. Further events will be held before Christmas and in the New Year to make services visible to the public and remind everyone what support is available.

3.8 Government Support

The main national support available will again come in the form of the household support fund that the government recently announced will be given a 6 month extension to cover the period October-March. At the time of writing we are still awaiting details of the contents of the scheme and any changes to how we are allowed to use it. In previous periods the scheme has provided support for emergency essentials alongside wider proactive support for vulnerable groups. This has included amongst other support emergency energy payments for those struggling to heat their homes and making sure quality food is always available at foodbanks and pantries. A large chunk of the fund is used to provide vouchers to children on free school meals during the school holiday periods and payments to pensioners on council tax reduction, particularly important when considering changes detailed above. Provided the scheme is renewed in a similar way to previous periods we hope to continue to offer this essential support over winter.

4.0 POLICY IMPLICATIONS

4.1 The Autumn statement is the first major set of economic policies produced by the new government. Any changes implemented may require local authorities to change their own approach to tackling health inequalities.

5.0 FINANCIAL IMPLICATIONS

5.1 Many residents in Halton are missing out on eligible national support to improve their income which means we have to provide interventions that use up our capacity. Targeting support to help people access these schemes will reduce the need and cost of intervention.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

Support offered for both food and fuel over winter will ensure residents live in warm homes and have access to healthy affordable food.

6.2 Building a Strong, Sustainable Local Economy

Core emergency support that we are offering is open to all and not means tested to support working families to remain healthy and continue in work this winter.

6.3 Supporting Children, Young People and Families

Free school meal funding will continue over the next 6 months providing families with support for food bills in holiday periods, continuing support that has been available for the past 3 years.

6.4 Tackling Inequality and Helping Those Who Are Most In Need

Halton has a significantly worse rates of inequality than the rest of the country. Tackling inequalities by supporting the sustainability of local initiatives will help embed these services within our communities.

6.5 Working Towards a Greener Future

Alongside emergency fuel support we will signpost residents on to home improvement schemes to retrofit properties with insulation measures that will improve the quality and efficiency of their property.

6.6 Valuing and Appreciating Halton and Our Community

The 5 Social Supermarkets have provided new community hubs in Halton as a base for residents to access wider services with the initiatives ran by local community organisations.

6.7 Resilient and Reliable Organisation

Work on pension credit and maximising fuel support is ensuring we are responsive to the current needs of the community we serve and ensure residents have access to resources they need.

7.0 RISK ANALYSIS

7.1 There are ongoing risks to the health and wellbeing of local people due to the effects of the wider determinants of health and poverty.

7.2 The breadth of support that can be offered is currently dependent in many cases on non-recurrent funding as highlighted above. Continuing work in these areas will be at risk depending on future funding settlements

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Health inequalities are a significant factor across Halton. Those suffering from poorer health are more likely to live in the more

deprived areas of the borough and more likely to be living in poverty. For males and females there is a 13 year gap between life expectancy at birth for those in the most deprived ward in Halton, compared to the least deprived ward (Halton Lea vs Daresbury, Moore & Sandymoor). The schemes we are supporting this winter will help support those living with the effects of health inequalities.

9.0 **CLIMATE CHANGE IMPLICATIONS**

9.1 The social supermarkets are supported via the household support fund to keep providing good quality fresh food. This will be offered alongside redistributed surplus retail food to reduce food waste in Halton while helping those in need.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 There are no background papers under the meaning of the Act.

Appendix 1: Price cap changes over time

Average cost of annual standard variable tariff

