

Report to:	Overview and Scrutiny Committee – Adult Social Care and Health	Date of Meeting:	3 rd Jan 2023
Subject:	Cost of Living Crisis		
Report of:	Director of Public Health and Executive Director for Adult Social Care and Health/Place Director	Wards Affected:	All
Cabinet Portfolio:	Adult Social Care Health and Wellbeing		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

This report seeks to provide an update to Overview and Scrutiny Committee on current Cost of Living interventions across Sefton and assurance on the actions being taken to mitigate risks to the health and wellbeing of residents.

Recommendation(s):

(1) The contents of the report are received and noted.

Reasons for the Recommendation(s):

The report is for the Coommittee's information at this critical time.

Alternative Options Considered and Rejected: (including any Risk Implications)

Not applicable

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional revenue costs identified

(B) Capital Costs

There are no additional capital costs identified

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
The contents of the reports have no direct resource implications	
Legal Implications:	
The contents of the reports have no direct legal resource implications	
Equality Implications:	
There are no equality implications.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	Yes
The contents of the report have a neutral impact on the climate emergency implications.	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The report references the impact on our most vulnerable
Facilitate confident and resilient communities: The report references support to our communities
Commission, broker and provide core services: The report details work with our own services and those commissioned externally.
Place – leadership and influencer: The report details or work to lead this area locally.
Drivers of change and reform: Not applicable
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: not applicable

Cleaner Greener: not applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7065/22) and the Chief Legal and Democratic Officer (LD.5265/22) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee meeting.

Contact Officer:	Eleanor Moulton
Telephone Number:	07779162882
Email Address:	Eleanor.Moulton@Sefton.gov.uk

Appendices:

There are no appendices to this report.

Background Papers:

There are no background papers available for inspection.

1. Introduction

This report provides an overview of current concerns relating to the cost-of-living crisis across Sefton.

*The 'cost of living crises refers to the fall in 'real' disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. It is being caused by **high inflation** outstripping wage and benefit increases and has been further exacerbated by recent **tax increases***

Institute for Government

This has been exacerbated throughout 2022 by increasing fuel prices and once-in-a-generation inflationary rise. These were reported in the Office of National Statistics monthly bulletin on Consumer Price Inflation for October 2022 (released 16 November 2022).

The main points were:

- The Consumer Prices Index (CPI) including owner occupiers' housing costs Consumer Price Index Housing (CPIH) rose by 9.6% in the 12 months to October 2022, up from 8.8% in September 2022;
- The largest upward contributions to the annual CPIH inflation rate in October 2022 came from housing and household services (principally from electricity, gas, and other fuels), food and non-alcoholic beverages, and transport (principally motor fuels);
- On a monthly basis, CPIH rose by 1.6% in October 2022, compared with a rise of 0.9% in October 2021;
- The CPI rose by 11.1% in the 12 months to October 2022, up from 10.1% in September 2022;
- On a monthly basis, CPI rose by 2.0% in October 2022, compared with a rise of 1.1% in October 2021;
- Despite the introduction of the government's [Energy Price Guarantee](#), gas and electricity prices made the largest upward contribution to the change in both the CPIH and CPI annual inflation rates between September and October 2022, and
- Rising food prices also made a large upward contribution to change with transport (principally motor fuels and second-hand car prices) making the largest, partially offsetting, downward contribution to the change in the rates.

Other significant changes to note include

- Overall, the cost of housing and household services rose 11.7% in the 12 months to October 2022, up from 9.3% in September 2022. The annual inflation rate was last higher in March 1991, when it stood at 12.5%;
- In October 2022, households are paying, on average, 88.9% more for their electricity, gas and other fuels than they were paying a year ago;
- Food and non-alcoholic beverage prices rose by 16.4% in the 12 months to October 2022, up from 14.6% in September 2022. The annual rate of inflation for this category has continued to rise for the last 15 consecutive months,

from negative 0.6% in July 2021. The current rate is estimated to be the highest since September 1977, and

- Average petrol and diesel prices stood at 163.6 pence and 183.9 pence per litre, respectively, in October 2022, compared with 138.6 pence and 142.2 pence per litre a year earlier. While prices remain higher than a year ago, petrol prices fell by 2.9 pence per litre on the month while diesel prices rose by 2.3 pence per litre.

Such broad increases on utilities and food will impact all households. However certain groups will see greater impacts.

- **Homeowners and tenants:**

- Rising interest rates will directly feed into mortgage costs and indirectly into rents;

- **Consumers:**

- Increased costs in energy and fuel for industry and businesses, as well as other business costs, will be off set against price rises for consumers;

- **Workers and businesses:**

- Filling a 55-litre car now costs just over £90. This may impact some sectors, for example care workers and delivery drivers and their ability to get to and complete their work, and
- Working from home, meaning household energy usage is likely to have increased and therefore budgets impacted.

2. At risk groups in Sefton

We know that we have a significant number of people who are vulnerable to rapid and large increases in prices. This is not an exhaustive list and does not include those people who are experiencing in-work poverty. Many incomes will be unable to keep pace with current price pressures. However, we should be mindful that

- 8,606 pensioners (14%) live in poverty (receive Pension Credit);
- almost 1 in 6 (8,178) under 16's live in relative poverty;
- Gross annual earnings are around 84% of the England average (£34,050);
- The average gross disposable household income is around 91 % of the England average (£21,440);
- 10 % of households are workless;

- Groups most likely to be affected by cold-related illness are those with long-term conditions, including mental illness and physical and learning disability, adults aged 65 and over, households with children aged 0-5, and pregnant women, and
- People with respiratory conditions (in particular, Chronic Obstructive Pulmonary Disease) (COPD).

3. Impact on services and emerging issues

3.1 Emergency Limited Assistance and Food bank demand

The Council has received 8,568 applications between the 1st April and the 27th November 2022; this is 67% more than the amount (5,115) received at the same period last year.

There have been 2,855 food vouchers provided, which is an increase of 51% from the same point last year and utility awards have increased by 61% with a total of 4,417 awards being made.

3.2 National Predictions

The Local Government Association Safer and Stronger Communities Board outlined issues of interest to the Board with the purpose of informing members of anticipated consequences to community safety of the rising cost of living in England and Wales. This was a speculative paper with a view to prompt wider discussion

Possible anticipated community safety concerns:

Domestic abuse:

Many domestic abuse services have reported that abusers are now using the cost-of-living increase and concerns about financial hardship as a tool for coercive control, including to justify further restricting their partner's access to money;

Acquisitive crime:

It is possible that increased financial uncertainty could lead to more acquisitive offences, such as shoplifting, burglary and theft. There is the possibility that some offenders could exploit blackouts or take advantage of broken alarm systems or less secure properties;

Serious violent crime:

There are concerns that increased costs could deepen deprivation and poverty, along with a lack of positive opportunities, could be a driver of violent crime;

Serious and organised crime:

Organised crime gangs could take advantage of the rising costs and expand criminal activities by exploiting more children, young adults and vulnerable people; those most susceptible to coercive suggestion and intimidation. Increased cost of living pressures could help county lines gangs recruit more people into their networks;

Fire safety:

There may be increased fire risks involved as people find alternatives to using the cooker or central heating, to combat rising energy costs. For example, there may be a greater use of electric heaters, candles, or people may choose to just heat one room, which could risk accidental fire or carbon monoxide poisoning. There may also be additional fire safety risks created by people purchasing second hand white goods rather than new products with higher fire safety standards.

Water safety:

Local swimming pools may reduce their opening hours or close, due to the high running costs. As a result, there may be more limited opportunities for learning or improving basic water skills and in extreme cases, this could result in more injuries and deaths in large bodies of water.

Scams:

The Christmas period could see a rise in the sale of cheaper, counterfeit goods. There could be safety risks involved with purchasing poorly made children's toys, for example: increase risks of contamination and choking.

The Dedicated Card and Payment Crime Unit has found that fraudsters are impersonating authorities such as energy companies and councils offering tax rebates and targeting older people who are trying to find ways of making their financial investments do better.

Road safety:

Drivers might look to buy older cars to save costs, or struggle with vehicle maintenance and ownership, such as annual servicing, MOTs or replacing lights and important vehicle components.

Drug and substance misuse:

There may be an increased demand for alcohol and drug services as more residents face financial hardship. There could be longer term consequences for cycles of dependency and addiction.

Extremism and terrorism:

Periods of economic difficulty traditionally provide fertile ground for extremist narratives, stoking e.g., anti-immigration rhetoric around funding/housing/access to public services for new arrivals, those which seek to blame other groups for perceived economic grievances, and building on increased mistrust in government. There is potential for this to spill over into violence or even terrorism.

Cohesion:

Broader cohesion concerns could arise from quality of life being perceived as in decline and divisions between those seen as being impacted by cost-of-living pressures.

Funeral costs:

Increase in number of people unable to pay for funerals, could lead to increased demand for public health funerals or local authorities having to support families with funeral costs in other ways. Also increased cost of running crematoria especially with rises in fuel prices.

Closure of licensed premises:

Some business groups have expressed concern about the impact of energy and food cost pressures on businesses, raising fears about closures.

Alcohol and tobacco:

There are concerns that sales and supplies of illicit and potentially harmful alcohol and tobacco may increase along with the cost of living, prompting safety fears, undermining smoking cessation work and fuelling organised crime.

Street-lighting:

Councils have seen a 37.5 % increase in the cost of running and repairing streetlights over the last six months, with some authorities reporting that their running costs have doubled.

Safety at night:

A recent poll by the Independent found that more women are walking home at night instead of getting a taxi despite safety concerns due to the cost of living. Out of the women surveyed, 61% said they are walking more often and 49% are taking fewer taxis.

3.3 The Local Government Association also hosts a cost-of-living hub designed to share best practice and help councils to support their residents with the rise in the cost of living. Case studies and resources can be found for each topic area in the pages below.

<https://www.local.gov.uk/our-support/safer-and-more-sustainable-communities/cost-living-hub>

3.4 Other likely impacts:

- Family breakdown;
- Increased referrals to child and adult safeguarding;
- Need to support people needing temporary accommodation;
- Increased demand for hardship support – foodbanks, Council Emergency Limited Assistance Scheme (ELAS);
- An increase in need for financial advice and support for individuals and small business;
- Increase in demand for those requiring council tax support and discretionary housing payments;

- Increased demand for emotional wellbeing support, and
- Increased demand on health services.

3.5 Health effects

The unequal health and wellbeing effects of the pandemic are well appreciated. Similarly, sustained financial hardship is likely to fall hardest on the health of those already living with greater health inequality and with fewest health-giving protective factors in their lives. Observations on likely population health impacts include

- Major impacts of high living costs are likely to come via increased exposure to cold-related health risks, which are associated with higher risk of illness and death from respiratory disease and infections, cardiovascular disease and dementia. At particular risk are the very young, older adults anyone with a long-term condition or disability and those with reduced immunity, including pregnant woman;
- Another large-scale impact comes from the rising costs of staple foods and the cost of maintaining a healthy diet. The impact of food poverty is compounded by fuel poverty, such that even if healthy food options are provided recipients may not have enough money to cover the fuel costs of cooking it. Likely impacts of a deterioration in dietary quality are unintentional weight loss or gain and lowered immunity due to low intakes of some vitamins and minerals;
- Insecure and difficult living conditions systematically increase the risk of worsening mental health as well. NHS Digital has recently reported the findings of a survey which suggest that one in every four 17–19-year-olds reported concerns that meant they were probably suffering with a mental health disorder. [Rate of mental disorders among 17- to 19-year-olds increased in 2022, new report shows - NHS Digital](#) The cost-of-living crisis will further impact on children and young people’s mental health and on their ability to learn and develop well at home and at school
- Of note, in the context of key services including health and care, the risks above are expected to contribute to rising demand for these services, which is compounded by higher rates of respiratory infection (including influenza) than have been seen in the last two years. Many employees in these sectors will be directly affected by higher costs of fuel and food with attendant risks to productivity and service delivery
- Children living in long term poverty are known to have poorer health outcomes, including
 - Higher rates of obesity;
 - Higher rates of teenage pregnancy;
 - Higher rates of low birthweight, and

- The social gradient in health is expected to become steeper in Sefton, as low- and middle-income groups see living standards drop while affluent groups are largely shielded from the direct health effects of increased living costs. Lost opportunities from education, employment and due to poor physical and mental health are challenging to recover and warrant long-term strategy and attention into the future.

4. Sefton's Response

4.1 Cost of Living Reference Group

This Members' Reference Group was established in October 2022, to decide on actions relating to the cost-of-living crisis to support individuals, communities, businesses and the Council workforce.

This Group will receive reports, advice and recommendations in relation to the cost-of-living crisis in Sefton. In doing so it will provide advice to the Council's Cabinet which will include wider support to Ward Councillors.

The Group will report to the Cabinet and any significant decisions for the Council will be taken via Cabinet decision making as appropriate.

The Cabinet Member Communities and Housing will Chair the Cost-of-Living Group. The Group meets bi-weekly.

4.2 Sefton Council Cost of Living web page:

<https://www.sefton.gov.uk/costofliving>

The page features quick links where Sefton residents and businesses can find advice and support to help them deal with rising gas and electricity bills and steeply rising prices in shops and for services.

There is also a resident leaflet Cost of Living Help flyer ([sefton.gov.uk](https://www.sefton.gov.uk))

4.3 Sefton Child Poverty Strategy 2022: tackling Child Poverty in Sefton

Sefton Council launched its Childhood Poverty Strategy on Thursday, 1st December 2022 at Bootle Cricket Club.

<https://www.sefton.gov.uk/media/5726/childhood-poverty-strategy-proof-3.pdf>

Several prominent guest speakers including Dr Ian Sinha, Consultant Respiratory Paediatrician, Dr Tammy Boyce, University College London Institute of Health Equity, along with Council public health and Place Executive, as well as NHS representatives gave different perspectives on child poverty.

The Tackling Poverty Strategy explores the drivers of child poverty and its impact on children and families. The cost-of-living crisis is making that situation worse. Poverty has far-reaching impacts and can harm children's health, education and future prospects.

Running up to 2030, the new Strategy sets out a blueprint for a local approach to tackling child poverty in Sefton, with actions linked to people's pockets, prospects, and places.

Sefton Council is committed to increasing opportunity in employment and education and supporting the most vulnerable members of its communities. The Council will continue working closely with partners in the voluntary sector, health, employers, further education facilities and community groups.

4. Sefton partners are encouraging vulnerable households to register with utility companies.

This is especially important over the winter when families will be feeling the impact of the rising cost of living. Utility companies keep a list of vulnerable people who they can target in emergencies such as disruption to water supplies and power outages.

The links to Ofgem and United Utilities the northwest water supplier is given below. The criteria include:

- Being of pensionable age;
- Disabled or having a long-term condition;
- Recovering from injury;
- Having a hearing or sight condition;
- Having a mental health condition;
- Pregnant or having small children;
- Using medical equipment that requires a power source;
- Poor or no sense of smell, and
- Would struggle to answer the door or get help if needed.

<https://www.ofgem.gov.uk/get-help-your-supplier-priority-services-register>
<https://www.unitedutilities.com/help-and-support/priority-services/>

4.5 Warm Spaces

Sefton CVS working alongside voluntary, community and social enterprise organisations and with funding support from Sefton Council have established a network of Warm Spaces across Sefton this winter. These include libraries,

community centres, community hubs and other places offering a warm welcome and free to use for anyone struggling to heat their home.

All 'Warm Spaces' will be heated, safe and friendly places where residents can comfortably spend time reading, studying or chatting with others. Some venues, 'Enhanced' Warm Spaces, will also offer hot drinks and food, activities and other services such as free Wi-Fi.

To ensure residents always get a warm welcome and everyone is treated equally, with dignity and respect Sefton Warm Space venues will uphold the Sefton Warm Space Charter.

Details of venues and opening times can be found at:

<https://seftoncvcs.org.uk/warmspaces/#:~:text=These%20include%20libraries%2C%20community%20centres,studying%20or%20chatting%20with%20others.>

4.6 Working with our Primary Care Networks

A GP protected learning time event was held in November 2022 and was targeted at updating referral routes and community interventions across the borough. The event also presented the national epidemiology on temperature and mortality and the causes of excess winter deaths in Sefton, including early seasonal flu trends. A key learning point from recent research is that mortality is at its lowest when temperatures are between 14.9°C and 22.6°C. Deaths associated with cold significantly outnumber those from heat, and excess mortality does not require a 'cold snap' to become apparent.

There was also a presentation on the National Institute for Care and Health Excellence (NICE) NG6 Excess Winter Deaths and Illnesses associated with cold homes as well as the new Combined Intelligence for Public Health Action (CIPHA) fuel poverty and health dashboard. The assessment contains twelve recommendations, with two (recommendations 4&5) specifically aimed at identifying people at risk from living in a cold house as well as how Making Every Contact Count (MECC) can be used to assess the heating needs of people who use primary health and home care services. GPs and health care professionals were encouraged to review the guidance to support them when providing local advice as well as how to ask relevant questions about keeping warm.

The session was designed to present the guidelines to primary care staff and complement this with a summary of support available in the community. A presentation on the work of the Welfare Reform Anti-Poverty group (WRAP) was delivered and included an update on the healthy start and vitamin programme, the household emergency support scheme, the holiday fund, Council welfare rights advisor support, the childhood poverty strategy, Sefton Support Hub and the wider work commissioned by the Council through the VCF. This included the Living Well Sefton Service, a map of venues of warm spaces and hubs and Citizens Advice Bureau (CAB) financial advice and support.

The Affordable Warmth Team also delivered a detailed presentation focused on the causes of fuel poverty, the impact on health and excess winter deaths and subsequently provided some opportunities to identify and alleviate the problem such as advice on temporary heating, smart meters, energy saving measures and the warm homes discount priority services register.

GPs and wider health care practitioners were given the opportunity to understand eligibility criteria as well as detailed information on direct referrals routes into services.

4.7 Sefton Welfare Reform and Anti-Poverty Partnership

This is a multi-agency partnership, chaired by the Chief Executive of Sefton Community and Voluntary Service (CVS). The partnership reviews the needs as expressed by service users across Sefton, promoting cooperation and joint delivery of benefit and debt advice, food support, housing, and fuel advice. The membership includes voluntary agencies as well as statutory services, e.g., Department for Work and Pensions (DWP), NHS and Fire and Rescue Services.

4.8 Adult Social Care and the Social Care Providers.

As a system we are constantly reviewing our status against the NICE self-evaluation guidance to ensure readiness for Winter. It is a standing agenda item on the fortnightly Sefton Place Winter Planning Meeting. In terms of the NICE self-evaluation, tab seven, is particularly relevant to Sefton Adult Social Care as it concerns discharge arrangements. Home circumstances are considered within Social Work assessments. We are working with Hospital Trusts to ensure individuals who might be negatively impacted by heating arrangements are identified on admission.

Working with hospitals to identify those with heating requirements the discharge team can access the warm homes team and a discretionary discharge grant to support. Where needed Sefton Adult Social Care will work with Housing Colleagues if they need alternative accommodation until home circumstances can be resolved.

Aside from Hospital Discharges Sefton Adult Social Care are routinely assessing individuals when are referred for services. In the first instance, Sefton Adult Social Care will always provide a range of information and advice at on initial contact including information regarding heat and warmth. This can include a referral to key partners such as Sefton CVS who run a number of schemes which can ensure adequate heating and food arrangements for individuals in need. Sefton CVS are also running a number of “warm spaces” that vulnerable people can attend. Sefton Adult Social Care can access food parcels for individuals in need and again, as part of Social Work Assessment would consider nutrition, health, and access commissioned services to support.

The Cost of Living challenge has had an impact on both the delivery of Care Home Services and Domiciliary Care. The impact of absorbing increased fuel costs and heating costs have been felt across all commissioned services, but it could be

argued as most acutely felt for our Care Homes following the financial impact COVID has left them with (increased vacancies, reliance on more expensive agency staff and the challenges of meeting higher acuity of need with a workforce that has seen increases in recruitment and retention). The Government have recognised this challenge and in November 2022 they allocated an additional payment of £1.09 an hour for Domiciliary Care and £8.53 per week for Care Homes. This has been paid directly to our providers to help mitigate this cost. We continue to work closely with our providers to understand the challenges they face and work together to meet these through robust cost of care exercises and consultations on the detail of what the current financial reality is like.

5. Conclusion

In summary, the scale of the Cost of Living crisis is unprecedented. The response is being delivered across the Council, voluntary sector and NHS partners and aims to maximise people's income and mitigate the multiple, increasing risks to health and wellbeing.