

## EAST RIDING OF YORKSHIRE COUNCIL

## BRIEFING NOTE

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**Cost of Living: The impact on the vulnerable in the East Riding**

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**To:** Health & Wellbeing Board

**Date:** 7 July 2022

**1. Background**

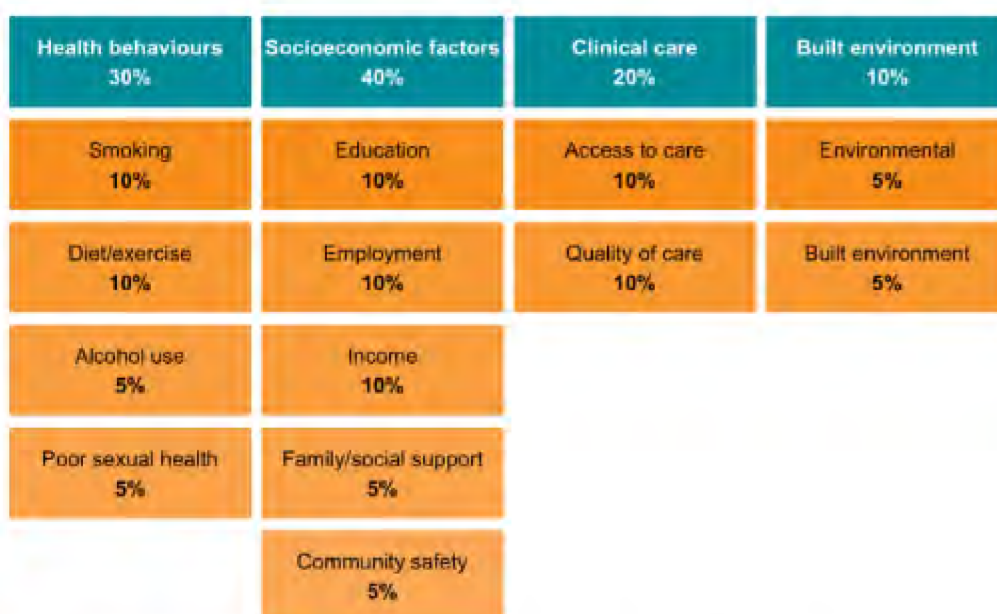
- 1.1 The ‘cost of living crisis’ has dominated the news headlines during 2022. With inflation at a 30 year high, outstripping wage and benefit increases and further exacerbated by recent tax increases. A rapid increase in energy costs, housing/household services and transport in particular, have been key drivers of the rapid increase in inflation.
- 1.2 Globally, a number of cost pressures were created as countries shutdown production and then re-opened their economies through various periods of Covid-19 lockdowns and the associated demand for supplies has also increased prices. Global shipping and freight costs have risen dramatically.
- 1.3 In addition to the ongoing impacts created by the pandemic, Brexit and more recently the war in Ukraine have further added significant international pressures which are set to continue.
- 1.4 Economic predictions are that the cost of living crisis is set to continue and a further rise in the energy price cap is anticipated in October 2022. This will be mitigated to some extent by the Energy Bills Support Scheme, where households will receive between £400 (for the majority) and £1,500 (for a small number) of support with their energy bills. Around three-quarters of the total support will go to vulnerable households.
- 1.5 Locally, our residents and businesses have felt the impact of all of the above, many aspects of which are intensified by the rurality of the East Riding, through a greater reliance on transport and a higher proportion of households without access to mains gas, which has a direct correlation to fuel poverty.
- 1.6 Prior to the cost of living crisis, in Spring 2021, the Council updated the East Riding Debt Needs assessment. This was in response to concerns relating to the impact of the pandemic and to support the development of the Financial Inclusion Strategy. This brought data together from five key themes and examined trends to help predict which residents, areas and communities are more likely to be dealing with issues that could lead to future debt advice needs. For example, the analysis has highlighted that working age single parents are:
- More likely to have a low income
  - More likely to have fuel poverty issues (especially if living in rural areas, in energy inefficient homes and/or on prepaid meters)
  - More likely to be claiming housing benefits and, depending on whether they are working/claiming other benefits, number of children and house type, could be up to £150 worse off each week due to 2018 welfare reforms
  - Hardest hit by the financial impact of home schooling

- The analysis also highlights that those with the lowest incomes (relative to their necessary expenditure) are also:
  - More likely to have been affected economically by the pandemic (working in industries hardest hit and the costs of home schooling)
  - More likely to be from a fuel poor household and be paying an average fuel poverty premium
  - If on benefits, more likely to be in rented accommodation

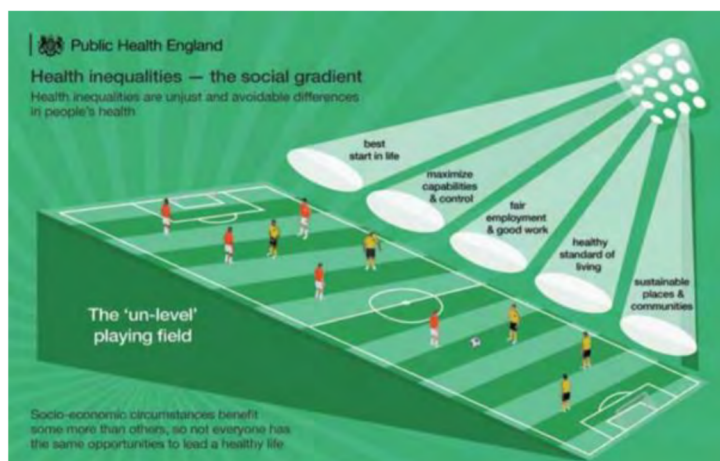
1.7 The needs assessment showed that prior to the cost of living crisis (as at January 2021), 11,053 households within East Riding were in fuel poverty. Of those households, 6,908 included children and they had debt totalling £1,707,969 for council tax and rent arrears and any housing benefit overpayments (an average of £154.53 per household).

1.8 A wide range of socio economic factors which are being impacted by the increasing cost of living will be likely to have a significant impact on the wider health of our residents, in particular those who are already facing inequalities as shown in the graphics below.

**Figure 2:** Relative contribution of the determinants of health



**Source:** Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute. Used in US to rank counties by health status



## 2 **Headline data**

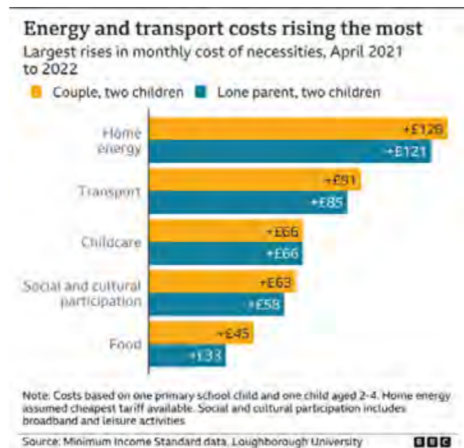
2.1 It is very difficult to measure the cumulative impacts in a fast moving and complex socio-economic environment. However, the following section outlines a selection of key data and softer intelligence of what is known currently. From publication of the Debt Needs Assessment in 2021 to Spring 2022, data is starting to show the impact of the circumstances outlined in Section 1. Initial headlines (which are explained in more detail throughout this briefing) are:

### **Food**

- 1,412 East Riding households in food poverty (April 2022) compared to 1,170 households in March 2022 (+21%)
- Over two million UK adults have skipped meals for a whole day over the past month
- Around 7.3 million adults live in households affected by food insecurity, including 2.6 million children, an increase from 4.7 million adults surveyed in January
- The number of families with children experiencing food insecurity month on month has also risen from 12.1% per in January to 17.2% in April 2022
- Rising cost of living is outstripping the amount by which benefits have risen
- People are more reliant on lower cost foods which tend to be calorie-dense/nutrient-poor, further increasing obesity and malnutrition
- Food insecurity is almost four times higher in households on Universal Credit than the average
- However, households on the lowest incomes saw the biggest improvement in food insecurity levels, showing targeted measures to support the least well off during the pandemic had some success
- Shores Big local update April 2022 shows the Shores Community Pantry now has 800 members of which 93% are in significant hardship (less than £10 per week for food)

### **Heating/energy use**

- 12,077 households in fuel poverty (March 2022) compared to 10,032 households in April 2022 (+20%)
- Over 100 fires involving open fires, log burners and heaters in just the last few months due to alternative (cheaper) heating methods being used. Almost 30% of fires involved log burners, heaters and traditional open fires.
- Exposure to cold temperatures is associated with increased blood pressure, inflammation and cardiovascular mortality risks, regardless of age or gender.
- Food bank users are increasingly requesting items that do not need cooking/freezing as they are worried about how they will afford rising energy bills.
- A key trend in the issues people are facing – from worries about eviction to making choices about what to spend money on (particularly on food or heating)



## Spending

- Soaring food prices (up 5.9% in the past 12 months) are making it increasingly difficult for families to afford the food they need.
- Global food prices are at a record high, propelled by growing energy and transport costs, as well as an extremely tight labour market.
- Big jumps in the cost of everyday foods, with the price of basic pasta up 45%, tinned tomatoes and eggs up by 13%, and dog food up by more than 40% in the past year. Official data points to a near 20% rise in the price of a pint of milk.
- On a total basis, sales decreased by 0.3% in April, against an increase of 51.1% in April 2021. This is below the 3-month average growth of 3.2% and the 12-month average growth of 6.4%.
- Higher costs as a result of rising commodity prices, transport costs, labour shortages, delays at ports, and the war in Ukraine.
- Staff across the Council's Customer Service Network have noticed that the people that need the most help or are asking for help, are people that are not entitled to any financial assistance – those who are "just about managing".

## Wellbeing, Enrichment and Community Support

- Locally, evidence is starting to emerge of the cancelling of activities such as school music lessons, swimming lessons and sports clubs, with the rising cost of living being referenced by parents
- The Council is starting to hear that local community-based clubs are becoming very worried about the rising electric costs and that this will have an impact in their prices
- A YouGov poll found 55% of people felt their health had worsened owing to issues such as higher heating and food costs. Stress was a driving factor. Figures were higher for those on lower incomes.
- A third of people are socialising less as a result of the rising cost of living
- Sewerby Hall has been quieter than usual and a lot of people are choosing to bring picnics with them rather than buy lunch from the café

## Health

- GPs have noticed signs of patients not collecting prescriptions due to costs
- Significantly more patients are reporting stress and depression to their GPs in 2022
- Costs are often higher for those with long term health conditions such as Crohn's or Coeliac Disease.
- One in five people are reporting that the cost of living is affecting their sleep



## 2.2 Current picture in the East Riding

### Eat or heat?

- 2.2.1 'More than two million adults in the UK have skipped meals for a whole day over the past month because they cannot afford to eat, new research shows' (*Guardian 9 May 2022*).
- 2.2.2 As set out in paragraph 2.1, the costs of both fuel and food have risen significantly in 2022. Official data points to a near-20% rise in the price of a pint of milk. Heating and domestic fuel has risen significantly, particularly those on pre-paid meters who felt the impact immediately. Petrol and diesel costs are also at an all-time high, with filling an average tank now costing over £100 (as of June 2022).
- 2.2.3 The East Riding Low Income Family Tracker monitors the key expenditure data of our most vulnerable families. Looking at figures in March and then April 2022, when additional National Insurance payments were introduced, and benefits rates changed:
- 939 households in cash shortfall in April, compared to 512 households in March (+83%)
  - 9,848 households in relative poverty compared to 8,660 households in the previous month (+14%)
  - 1,412 households in food poverty compared to 1,170 households in the previous month (+21%)
  - 12,077 households in fuel poverty compared to 10,032 households in the previous month (+20%)
  - 17,842 households in water poverty compared to 15,079 households in the previous month (+18%)
- 2.2.4 The latest Department for Education statistics have revealed that 1.9m pupils (around 22.5% of the total) were eligible for free school meals as of January this year, up from 1.74m the year before. This is now likely to be higher and the Association of School and College Lecturers fear that current eligibility does not capture all the children who need help as the level of child poverty is anticipated to be 30%. In the East Riding, there were 7,831 pupils eligible for free school meals in the January 2021 school census, rising to 8,697 pupils by January 2022 (an increase of 11%).
- 2.2.5 There has been a marked increase in demand for foodbanks nationally and throughout the East Riding. Some families have reported that they have noticed a difference in the amount of stock foodbanks have. Some East Riding families are savvy with certain apps such as Too Good To Go (an app created as a food waste management solution, but also assists with food poverty issues), but are reporting that it is increasingly hard to get food from them due to greater demand.
- 2.2.6 In terms of donations, families who reported that they used to buy an extra couple of items a week to donate in-store can no longer afford to do so, with one family commenting 'we're now the family that needs the donations'.
- 2.2.7 Home Start Goole has noticed a steady increase through the pandemic in the number of families needing support to access foodbanks and this has accelerated in the last 4 months. Of the current 35 families, Home Start has supported 14 to use foodbanks, signposted them to foodbanks or actually collected and delivered food parcels to them, in some cases weekly. Pre pandemic such occurrences were rare – perhaps once annually.

## Debt and Budgeting

- 2.2.8 Citizens Advice Bureau Hull & East Riding (CAHER) found that prior to the cost of living crisis, and as a result of the loss of face to face support in the pandemic, some issues which may have usually been addressed have been ignored or put off by clients. As a result, in 2021 clients were increasingly presenting with complex issues, often in multiple.
- 2.2.9 More recently, they have seen an increase in clients accessing services for debt and budgeting advice. Analysis of clients' finances is not showing a collapse in income or rising debt, but more the 'inexorable bite' of the cost of living, with the cost of essentials and particularly energy prices pushing more residents into debt.
- 2.2.10 As the graph below shows, CAHER has seen a doubling of the number of clients seeking advice on fuel related issues compared to April 2021. Of concern, is that this figure is predicted to grow again significantly in the second half of this year when we see prices increase further in October 2022.



- 2.2.11 Whilst everyone is feeling the impact, residents who 'pay as they go' for their energy on prepayment meters are less able to spread the cost of energy throughout the year and will face huge hikes in winter. Nationally, CAB research shows that rising energy costs could see an average household on a prepayment meter facing bills of £336 - over £10 a day - in December 2022. That same usage would have cost £147 in December 2021.
- 2.2.12 The largest issue presenting remains as Benefits and Universal Credit with 7,476 in 2-21/22. This is almost double the 3,975 issues last year but is closely followed by Benefits and Tax Credits with 7,024. Debt is the third largest issue with 6,290, which again is almost double the 3,775 seen last year. These issues continue to be the most challenging for the residents of the East Riding, making up almost 70% of all issues this year, and numbers are expected to increase further.

## Health

- 2.2.13 The April 2022 report by the mental health charity National Voices – *Behind the Headlines: the unequal impact of the cost of living crisis* - highlighted the additional challenges faced by those with long term health conditions and disabilities. For example:
- People with **Crohn's and Colitis** face additional costs such as extra bathing laundry and travel costs when they cannot walk, cycle or use public transport. Prescription charges are an additional cost and barrier to many people keeping themselves well.
  - **Macmillan Cancer Support** have reported that heating costs has been the number one issue that people with cancer are asking MacMillan for a grant to support with. They have given over £1 million to support patients with heating in just a 3-month period in 2022.

#### 2.2.14 Other report findings and local data and intelligence shows that:

- GPs, particularly those supporting deprived areas, are seeing an increase in patients choosing not to collect/pay for prescriptions, reporting stress due to the cost of living and difficulty in accessing services due to transport or data costs (for online support).
- In 2021 over 2,000 dentists left the NHS nationally leaving many area/residents without access to affordable dental care.
- East Riding Alzheimer's Society Dementia Support Service Advisers are finding that those who would be typically self-funders are 'keener' to take up benefits advice and claim Attendance Allowance which might be related to clients dipping into savings to meet additional cost of living costs/care costs
- A YouGov poll of 2,001 people commissioned by the Royal College of Physicians (RCP) found 55% felt their health had worsened owing to issues such as higher heating and food costs. One in four of these people had been told this was the case by a doctor or other medical professional, with stress seen as a driving factor of ill-health.
- About 37% of those in higher income brackets (ABC1) said the cost of living crisis had had a fairly negative impact on their health, while 16% said it had had a very negative impact. Of those in lower socio-economic groups, 37% said it had had a fairly negative impact and 22% said it had had a very negative impact.  
Low-paid health and care workers are calling in sick because they cannot afford to fill their cars with petrol to travel to work according to the head of the UK's largest trade union. "Financially it's been an absolute drain. When you get cancer, your wage goes away but your bills and your rents don't go away. You don't save for cancer. I was completely unprepared. The current energy crisis has left me scared of the spiralling energy bills and dreading the next lot of direct debits for them" (*McMillian Cancer support patient*).

#### **Mental health**

2.2.15 Stress, anxiety and worry have a well-established link to poor mental health. In a recent Sky News poll, 60% of people said they felt more worried than they did 6 months ago with nearly a third reporting they were angrier. People from lower income households are more likely to experience a mental health problem (BBC News, 23 May 2022). Research from Mind has shown that people receiving benefits have been hit particularly hard by the pandemic and are experiencing increasingly severe and complex problems with their mental health.

*"My struggle to earn money is a big trigger for my anxiety so the cost of living hikes are stressful. We were forced to move in the middle of lockdown, which had a huge impact on my mental health, this resulted in having to call an ambulance and my councillor". Anon*

2.2.16 A report from the Childhood Trust has found that almost one in ten children have started self-harming during the cost-of-living crisis, while 8% have shown suicidal tendencies, and more than half (53%) say they know someone who has taken their own life, had attempted to do so, or had considered it. Researchers also interviewed parents, 47% of whom said their children had become stressed over the rising cost of living, while a quarter have had to cut down on activities for their children to afford essentials.

2.2.17 Analysis by YoungMinds has found that 20,500 children and young people are being referred to Child and Adolescent Mental Health Services (CAMHS) every week - with the result that CAMHS were turning down half of all applications for specialised help and waiting lists in some areas had reached three years.

2.2.18 Locally, some core CAMHS services continue to see unusually high referral (and therefore wait times) rates following the pandemic. In line with the national picture, it is predicted that the cost of living crisis will have a similar impact.

### 3. Feedback from our residents

- 3.1 Staff and volunteers working across the Health and Social Care system in the East Riding have collated feedback from families and residents who have shared their current experience of the cumulative impacts of the pandemic, cost of living increase, etc. A selection of typical quotes and scenarios being shared are:

*'Everything has gone up, I'm finding it really hard'.*

*'I'm not buying anything different, but suddenly now I can't afford it'.*

*'I want to do healthy meals, but at the moment I'm just buying what I can afford.'*

*'I used to think people who used foodbanks were not people like me'.*

- 3.2 A resident shared with the CALLER (befriending) team that she stopped eating so that she could stay warm. She turned off all the radiators only living in some of the rooms to keep the costs down. She was boiling the kettle once and putting the hot water into a flask to save cost. The CALLER befriender also got her a food parcel as she was down to the last tin of soup.
- 3.3 A resident is the carer for his disabled wife. He has explained that he is financially struggling. The couple have been offered a holiday in Bridlington through Carer's Support but is worried about having enough money to pay for the petrol to get there.
- 3.4 Families are having to prioritise the cost of fuel to get to work, which is impacting on things like seeing families and friends.
- 3.5 One resident already struggles with her finances and has had intermittent rent arrears. She is worried that the cost of living crisis, and in particular the rise in energy bills, may lead her back into financial hardship. Whilst she does not want to be in arrears, she has stated that if it comes to a choice between paying her rent or keeping herself fed and warm, then she would be prepared to miss a week's rent payments.
- 3.6 One young, single mother of three children asked if she could pay her £2 contribution to the Foodbank next week as she had no money but needed some food from us as her fuel bill had gone up to £360 per month. "She only turned the water on when they all had a quick shower then turned it off again straight away. She kept turning all the lights off and didn't know what else to do to reduce her fuel bills and couldn't understand why it cost so much"
- 3.7 Mr Z has concerns about general debt and financial struggles as he currently works part time but his job is solely reliant on others being able to afford to pay for his wages (taxi driver) and therefore his income is not guaranteed. He wants to know what happens when the cost of living is too high for people to afford luxuries such as taxis which then impacts on his income, and he will again be in financial difficulty, He has stated he is still recovering from the lost income due to the pandemic and that this could not have come at a worse time.
- 3.8 Pickering & Ferens Homes Housing Association suggest that their tenants (over 60s) are yet to see the real 'bite' of the increased cost of living, the majority of whom receive state pension. There is, however, real concern about the Autumn and Winter particularly due to increased energy costs for the elderly to keep warm. Anecdotally, some of their 1400+ residents already feel that the energy price increase is going to be detrimental to their health

and wellbeing. The more vulnerable and single residents are certainly pre-empting tough times.

#### **4. What has been put in place**

##### **Strategic**

- 4.1 The East Riding (health and social care) 'Place', which also incorporates those services related to the wider determinants of health, continues to maintain a focus on early intervention, prevention and community empowerment, through a developing 'population health management' approach.
- 4.2 The Place are keen to learn from and build on the experience of the pandemic and harness the community asset approach which emerged so strongly in the East Riding. In addition, 'Empowering and Supporting Communities' became a new Council priority in 2022.
- 4.3 Roadshow events and other consultations are due to take place from June 2022 onwards to inform the Joint Strategic Needs Assessment (JSNA). The Covid Impact Assessment produced by the Public Health Team, together with the learning to date relating to the impact of the cost of living, will inform JSNA prioritisation. Feedback will be the foundation of the development of a new Joint Health & Wellbeing Strategy for the East Riding, which is scheduled for completion by March 2023.
- 4.4 Throughout 2022, the new arrangements for the NHS will come into effect and the East Riding Place are working on formalising the vision for integrated working in the area, whilst recognising that this will require continued evolution as the Integrated Care Partnership, Integrated Care Board (where CCG staff are transferring to), the East Riding Place Based partnership and Provider Collaboratives become established and mature.

##### **Operational**

- 4.5 In May 2022, the Council launched the Government's Household Support Fund across the East Riding, a grant scheme to support those most in need across the East Riding with the rise in energy bills and food. The fund will target and prioritise support for the following:
  - Pensioners who are in receipt of council tax support and in receipt of a disability-related benefit
  - Other households in receipt of council tax support that have a high barrier to work, which includes those in receipt of disability-related benefits, carers, and lone parents with children under five. This list is not exhaustive, and households may have to meet two of the criteria depending on their circumstances
  - The amount households receive will vary depending on their situation.
- 4.6 Council Welfare Visit Teams continue to offer and promote visits to discuss what could be available to residents and to signpost where appropriate. Free school meals vouchers ran in the May half term holiday. In addition to local advice and signposting, free and impartial help with money, backed by the government, is available from <https://www.moneyhelper.org.uk/en>
- 4.7 The Public Health Inclusion vehicle is being deployed across the East Riding supporting residents. This project brings together council services including public health, leisure and libraries, as well as external partners such as the Humber NHS Foundation Trust, the Food Poverty Alliance and the foodbank network, working with community groups and organisations, all with the aim to become a trusted and supportive presence within the local authority.



- 4.8 The Health Inclusion vehicle was a direct response to the impact of the COVID-19 pandemic on our communities, to make healthcare inclusive and accessible for every resident of the East Riding regardless of their situation.
- 4.9 Established programmes and projects and those in development, will continue to support residents, families and communities to equip them with the opportunities, life skills and aspirations to improve their health, wellbeing and living conditions. These include, for example, Active Withernsea, Your Life, Your Way (Phase 2), Healthy Driffield and Bridlington Re-Imagineering.
- 4.10 As part of the UK Government's Levelling Up agenda, the Council has received details of their UK Shared Prosperity and Multiply Fund, which is an allocation of £10.4 million from the UK Shared Prosperity Fund (UKSPF) and £1.5 million for Multiply.
- 4.11 These funds replace the support that local authorities previously accessed through the European Structural and Investment Funds prior to the UK's exit from the European Union. The council needs to submit investment plans which detail how the UKSPF and Multiply allocations will be spent over the next three years to improve local places, support businesses and improve skills. The investment plans must be submitted by 1 August 2022 and 30 June 2022 respectively. Both plans will then be subject to approval by the government.
- 4.12 To support the development of the investment plans, the council will engage with a wide range of local stakeholders. The council has hosted an initial webinar to provide an overview of UKSPF and Multiply, focusing on its three priorities of Community and Place, Supporting Local Business and People and Skills
- 4.13 Pickering & Ferens Homes Housing Association is planning workshops to discuss financial inclusion, budgeting advice etc. and where people can go for help. They will continue to monitor and support particularly exposed marginal groups/people and look at individual circumstances, family support, income and spending commitments, etc.
- 4.14 The VCSE Network meeting held 29 June 2022 was dedicated to the topic of collectively supporting our communities during the cost of living crisis.
- 4.15 Humberside Fire and Rescue has worked with partners to analyse key data sets in order to guide where to focus the offer of Safe and Well Checks in vulnerable households. This is in recognition that the most vulnerable and those facing financial hardship are at risk of resorting to unsafe methods of keeping warm this Winter.
- 4.16 The Humber and North Yorkshire Health and Care Partnership: Mental Health, Learning Disabilities and Autism Collaborative Programme (Suicide Prevention Programme) has recently published a progress report, which sets out a range of programmes designed to promote good mental health, with a specific focus on men's mental health.

## 5. Questions for the Board

- **What else can be done to improve the factors and conditions of living (Appendix 1) for our most vulnerable?**
- **What are the opportunities to improve health through the crisis? Active travel, local cheaper healthier food, use of blue and green spaces, support from community members (physical and virtual), changes to working environment, intergenerational support etc.?**

## 6. Conclusion

- 6.1 The cost-of-living crisis has been growing in scale and impact, with inflation reaching historic levels and is predicted still yet to peak. Those on the lowest incomes are most exposed and masked within the headline figures and, as the information presented in this briefing shows, increases are hitting low-income households the hardest.
- 6.2 A considerable amount of work is already underway to support these households, with further opportunities being explored. The strategic vision for the East Riding Place, which will be set out in the new Joint Health & Wellbeing Strategy will undoubtedly have a focus on the challenges resulting from the cost of living crisis.

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