COUNTY COUNCIL LOCAL COMMITTEE FOR SOUTH LAKELAND

Meeting date: 6th July 2022

From: Executive Director – Corporate, Customer and

Community Services

COMMUNITY DEVELOPMENT AND PUBLIC HEALTH ACTIVITY - UPDATE

1.0 EXECUTIVE SUMMARY

1.1 This report draws attention to key Community Development and Public Health Activity undertaken by the South Lakeland Area Support Team and the Locality Public Health Manager.

2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS

- 2.1 Community Development and Public Health Activity contribute to achieving the outcomes set out in the Council Plan 2018-2022 in particular;
 - People in Cumbria are healthy and safe, and,
 - Places in Cumbria are well-connected and thriving.

The activity embraces the 'New ways of working' with a focus on

- Working with partner organisations and communities to achieve shared aspirations, and,
- Exploring new ways to deliver services and maximise our resources.

Additionally, Community Development and Public Health Activity addresses the overarching ambition of the Cumbria Health and Wellbeing Strategy 2019-2029 "To enable Cumbrian communities to be healthy and to tackle health inequalities". By identifying and

productively connecting unconnected local assets the Area Support Team and the Locality Public Health Manager are working to progress the Cumbria Joint Public Health Strategy which emphasises the importance of building five types of community assets, namely;

- Natural assets: A high quality natural environment that provides opportunities for engagement with the natural world.
- Human assets: People with the skills, knowledge, and experience that give them the capacity to take part in society and have meaningful and fulfilling lives.
- Social assets: A good social infrastructure, with networks and institutions that allow people to connect to each other.
- Physical assets: A good physical infrastructure including housing, transport, and a commercial environment that promotes healthy behaviours.
- Financial assets: Adequate financial resources that are fairly distributed.
- 2.2 All activities undertaken are assessed to ensure that the equality and diversity impacts are understood and appropriately addressed.

3.0 RECOMMENDATION

3.1 Members are asked to note the content of this report.

4.0 BACKGROUND

- 4.1 This report draws attention to key Community Development and Public Health Activity undertaken and planned by the South Lakeland Area Support Team and the Public Health Locality Manager to progress the Council's Strategic aims, the Cumbria Joint Health & Wellbeing Strategy 2019-2029 and the Cumbria Joint Public Health Strategy in South Lakeland.
- 4.2 The UK annual inflation rate as measured by the consumer price index (CPI) was last above 5% in 1991 (7.5%) and it is over forty years since the UK has experienced an annual CPI inflation rate in excess of 10% (11.8% in 1981).

Twelve-month UK CPI inflation rate in 2021 was 2.6%, by April 2022 this had risen to 9% and the Bank of England predicts that the CPI will rise to above 10% in the fourth quarter of 2022 (Bank of England: Monetary Policy Summary and minutes of the Monetary Policy Committee meeting Bank Rate increased to 1.25% - June 2022 | Bank of England). Not since 1975 has an upward change in inflation of this magnitude been witnessed in the UK. (Fig I)

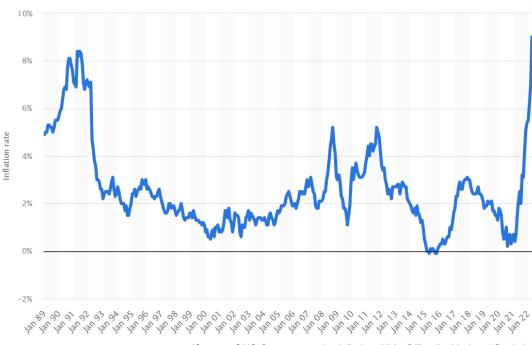


FIG I. UK Inflation Rate

(Source: ONS Consumer price inflation, UK - Office for National Statistics)

This report considers the key contributors to the inflationary pressures, the potential impact on residents of South Lakeland and describes some of the actions being taken to mitigate the challenges for those living locally.

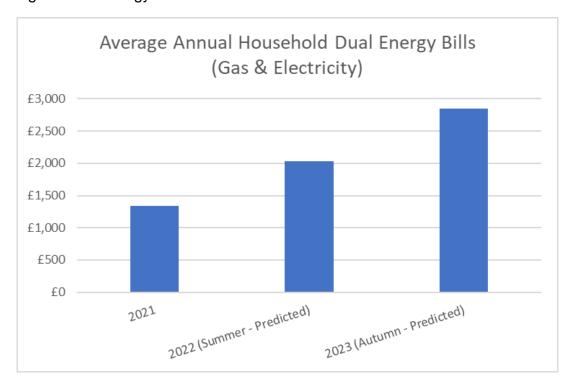
4.3 Domestic Energy:

Source - Commons Library Research Briefing, 27 May 2022 CBP-9491.pdf (parliament.uk)

"..... data suggest that gas is the main fuel used for heating in around 86% of homes in the UK. Electricity is next most common with 8%, followed by heating oil with 6% and solid fuel with around 1%."

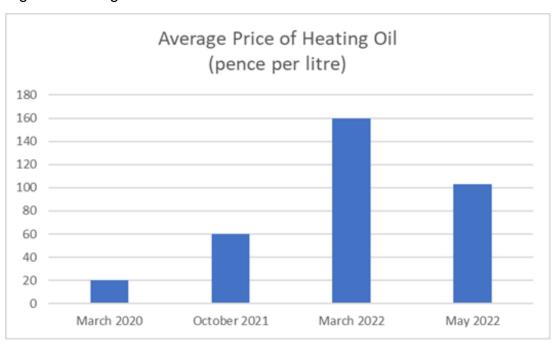
Average domestic dual energy bills (**gas and electricity**) for those on direct payments were £1,335 in 2021, these are predicted to rise to £2,035 in the summer of 2022 and (assuming a 40% mid estimate increase) to £2,850 in autumn 2022. This represents an increase in excess of 113% in under a year. (Fig II)

Fig II. Dual Energy Bills



The cost of **heating oil** has fluctuated since the first lockdown. In March 2020 heating oil was on average 20p per litre, rising to 60p in October 2021 and to 160p in March 2022 following the Russian invasion of Ukraine. In May 2022 prices had fallen back to an average of 103p representing an increase of over 500% in the average price in just over 2 years. Unlike gas and electricity there is no price cap for heating oil. (Fig III)

Fig III. Heating Oil



The average price of **solid fuel** (coal and smokeless fuel - £ per 50kg) has increased less dramatically. The average price of coal was £20.24 in March 2020 by April 2022 this had risen to £23.63 (17% increase), smokeless fuel prices rose from £24.25 to £26.46 in the same period (9% increase). (Fig IV)

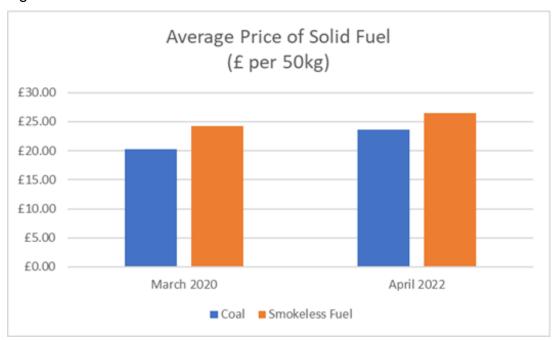
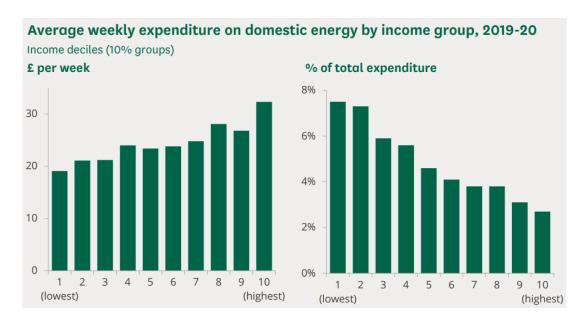


Fig IV. Solid Fuel

"The charts below show that spending on energy increases with income, from just under £20 per week among the 10% of households with the lowest incomes (decile 1) to £32 per week among the 10% with the highest incomes (decile 10). However, spending on energy varies less by income than any other spending category. This is reflected in the right hand chart where spending on energy is shown as a share of total expenditure. It was much higher in lower income groups; 7.5% in decile 1 and 7.3% in decile 2 compared to just 2.7% in decile 10."

"Spending on energy to heat and power a home is, to a large extent, not discretionary. There is a limit to the amount a household can do to cut their costs while adequately heating their home, without substantial improvements in the energy efficiency of their property. Recent sharp increases in energy prices mean that all households will need to spend more on energy. This will have a disproportionate impact on lower income households as any given increase in prices will take up a greater share of their (smaller) family budgets. These households will also have less scope to shift patterns of spending from 'discretionary' items to essentials like heating."

Fig V. Domestic Energy Spend by Income Group.



Projected increases in energy costs will result in some of the poorest households spending in the region of 20% of their income on energy as opposed to nearer 5% for the most affluent households.

Government assistance has been made available for all households; details can be found via the link below.

Cost of living support factsheet: 26 May 2022 - GOV.UK (www.gov.uk)

In summary the support being provided is:

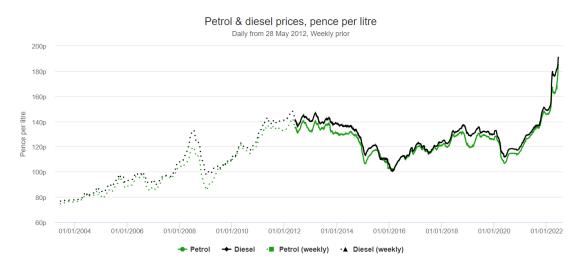
- £150 Council Tax rebate for households in England in Council Tax bands A-D
- £400 grant to all households
- £650 one-off Cost of Living Payment for those on means tested benefits. Includes all households receiving the following benefits;
 - Universal Credit
 - Income-based Jobseekers Allowance
 - Income-related Employment and Support Allowance
 - Income Support
 - Working Tax Credit
 - Child Tax Credit
 - Pension Credit
- One-off £300 Pensioner Cost of Living Payment
- £150 Disability Cost of Living Payment for people across the UK who receive the following disability benefits;
 - · Disability Living Allowance
 - Personal Independence Payment
 - Attendance Allowance
 - Scottish Disability Benefits

- Armed Forces Independence Payment
- Constant Attendance Allowance
- War Pension Mobility Supplement
- £500m increase and extension of Household Support Fund

4.4 Motor Fuel:

At the start of 2020 the average price of petrol per litre was £1.25, diesel £1.30. By May 2020 petrol had fallen to £1.07 and diesel to £1.12. A fairly rapid increase in price from May 2020 accelerated following the outbreak of war in Ukraine. At the time of writing (14th May 2022) petrol prices average £1.85 per litre and diesel £1.91, increases on pre-pandemic prices of 46% and 47% respectively. (Fig VI)

Fig VI. Motor Fuel



(Source: RAC Foundation UK pump prices over time (racfoundation.org)

4.5 Food

UK food prices in April 2022 had increased year on year by 6.7% the highest rate of food price inflation in over ten years. (Fig VII)

2014 2016 2018 2020 2022 -4

Fig VII. UK Food Price Inflation (2012 to 2022)

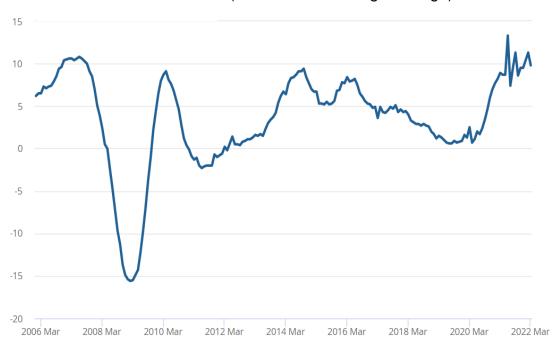
Source: Tradingeconomics.com / ONS <u>United Kingdom Food Inflation - May</u> 2022 Data - 1989-2021 Historical - June Forecast (tradingeconomics.com)

It is noted that an initial rise in food price inflation seen in late 2021 and early 2022 predates the outbreak of war in Ukraine. (Fig VIII) There is concern that food price inflation could rise considerably should the war impact upon food security with the CEO of the UKs largest food company by turnover (2 Sisters Food Group, Ronald Kers) warning of food price inflation of 10% to 15% by mid-2022. "Before this war began, 4% to 5% food inflation was being forecast by mid-2022. But we now could see a hyper-inflationary environment at closer to 10 to 15%...." (Grocery Gazette Food inflation could soar to 15% by mid-year following Ukraine invasion - Grocery Gazette - Latest Grocery Industry News)

4.6 Housing:

UK average house prices increased by 9.8% over the year to March 2022, down from 11.3% in February 2022. (Fig VIII) The average UK house price was £278,000 in March 2022, which is £24,000 higher than this time last year. House prices in South Lakeland are close to the national average with the median price for properties sold between September 2020 and October 2021 being £264k, the average for the North west in this period was £229k.

Fig VIII. Annual house price rates of change for all dwellings, UK, January 2006 to March 2022 (12 Month Percentage Change)



(Source: ONS <u>UK House Price Index - Office for National Statistics (ons.gov.uk)</u>

Since November 2021 the Bank Rate (Bank of England Base Rate) has risen from 0.1% to 1.25%, translated to mortgage interest repayments this represents a monthly increase of nearly £100 on a mortgage of £100,000.

The cost of private housing rental in the UK outside of London rose by 3-4% in the 12 months to April 2022, a rate of increase unseen for at least the past six years. (Fig IX)

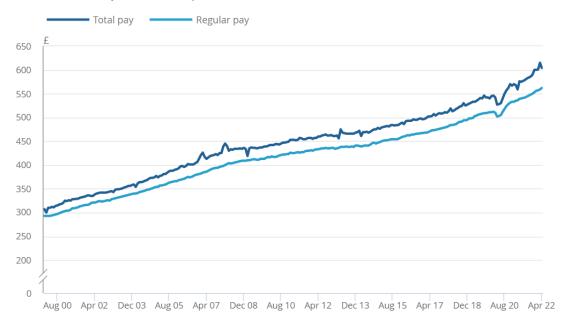
Fig IX. Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to April 2022



4.7 Earnings:

Source - ONS Average weekly earnings in Great Britain: June 2022 <u>Average</u> weekly earnings in Great Britain - Office for National Statistics (ons.gov.uk)

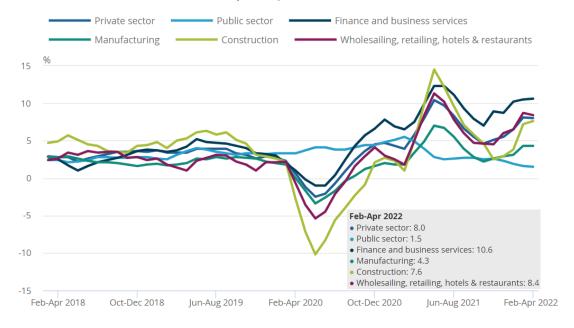
Fig X. Average weekly earnings in Great Britain, seasonally adjusted, January 2000 to April 2022



Average regular weekly pay in Great Britain in April 2022 was estimated as £562 an increase of 4.3% from £539 in April 2021, average total pay increased by 4.9% from £576 to £604. (Fig X)

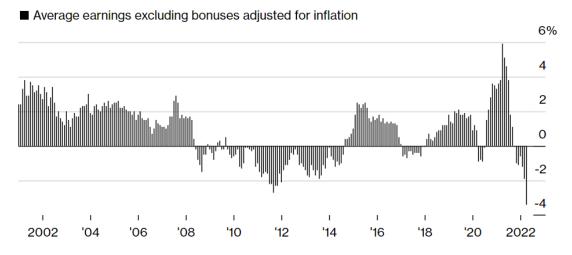
Earnings growth varies by sector. Seasonally adjusted average weekly earnings annual growth rate for the period February to April 2022 are shown in Fig XI below. It is noted that the growth rate in the private sector (8%) is considerably higher that that seen in the public sector (1.5%). The strongest growth is seen in finance and business services (10.6%) with manufacturing (4.3%) seeing the lowest growth rate.

Fig XI. Average weekly earnings annual growth rates for total pay (including bonus) by sector in Great Britain, seasonally adjusted, January to March 2018 to February to April 2022



Real pay growth (average earnings adjusted for inflation) is falling at its fastest rate for over two decades (Fig XII)

Fig XII. Real Pay



In April 2022 real earnings were on average down by 3.4% from April 2021, for public sector workers (who have experienced the weakest pay growth) real earnings in the period are down nearly 6%.

4.8 Cumbria County Council is making £2m available to assist with the cost of living. While at the time of writing the allocation of this fund remains to be determined it seems likely that Local Committee's will each receive an allocation for discretionary spend. In addition to the ongoing work with food hubs, local community groups, Citizens Advice, the South Lakeland Building Financial Resilience Partnership etc. the Locality Public Health Manager and the Communities Team will be available to assist members with effective targeting and distribution of funds. A detailed consideration of local circumstances to include household fuel usage, housing type, employment, household composition etc. will be available to inform member decisions; the community infrastructure and connectivity facilitated by the Communities Team will enable reach to those most challenged.

4.9 Dates for your Diary:

6th to 12th June 2022 – International Bike Week

To encourage as many people as possible to get out there and enjoy their community by bike.

Bike Week 2022 | Cycling UK

6th to 12th June 2022 – **Growing for Wellbeing Week**

A celebration of the magic that growing your own produce can do for your wellbeing, both physically and mentally.

National Growing for Wellbeing Week – Life at No.27 (lifeatno27.com)

6th to 12th June 2022 - Carers Week

An annual campaign to raise awareness of caring, highlight the challenges unpaid carers face and recognise the contribution they make to families and communities throughout the UK.

Home | Carers Week

13th to 17th June 2022 – **BNF Healthy Eating Week**Taking all of the UK on its 'Find your healthier you' journey!
Healthy Eating Week - British Nutrition Foundation

An extensive list of national and international awareness days and events can be found using the link below.

Awareness Days Events Calendar - US, UK & International Awareness Days

5.0 **OPTIONS**

5.1 Members are asked to note the content of the Community Development and Public Health Activity Report.

6.0 RESOURCE AND VALUE FOR MONEY IMPLICATIONS

6.1 There are no direct financial implications arising from this report, which is for noting. (SR 20.6.2022).

7.0 **LEGAL IMPLICATIONS**

7.1 There are no direct legal implications arising from this report which is for noting. EJH 22/06/22

8.0 CONCLUSION

8.1 Progressing the Council's strategic aims and public health objectives is dependent upon robust community engagement and community development. With the support of officers members are ideally placed to ensure effective community development promotes public health and contributes to achieving these aims and objectives in South Lakeland. As a consequence engaged and empowered residents benefit from healthier, happier and more resilient communities.

Colin Cox Director of Public Health 17/06/2022

APPENDICES

None

Electoral Division(s): All South Lakeland		
Executive Decision	No*]
Key Decision	No*]
If a Key Decision, is the proposal published in the current Forward Plan?		N/A*
Is the decision exempt from call-in on grounds of urgency?	No*]
		N/A*

If exempt from call-in, has the agreement of the Chair of the relevant Overview and Scrutiny Committee been sought or obtained?		
Has this matter been considered by Overview and Scrutiny? If so, give details below.	No*	
Has an environmental or sustainability impact assessment been undertaken?		N/A*
Has an equality impact assessment been undertaken?		N/A*

N.B. If an executive decision is made, then a decision cannot be implemented until the expiry of the eighth working day after the date of the meeting – unless the decision is urgent and exempt from call-in and necessary approvals have been obtained.

PREVIOUS RELEVANT COUNCIL OR EXECUTIVE DECISIONS

[including Local Committees]

No previous relevant decisions.

CONSIDERATION BY OVERVIEW AND SCRUTINY

Not considered by Overview and Scrutiny.

BACKGROUND PAPERS

No background papers.

REPORT AUTHOR

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