



London Borough of Havering Responding to the Cost of Living Crisis

Strategy summary

Help is out there.

It is fragmented, it is hard for a resident to know where to go.

It is not marketed effectively, if I need help, I have to find it, it does not come to me.

What is on offer changes over time, where I went for help before may not be the best place now.

We will bring help to those that need it, when they need it, in a way they need it.

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Strategy

Background

There is a crisis. The cost of everyday essentials like energy and food is rising much faster than average incomes. This has been driven by an increase in energy costs following the war in Ukraine however all aspects of household expenditure have been affected. This has resulted in a significant increase in the levels of poverty.

“The default energy price cap is expected to be £4,266 in January 2023”¹

“The average food bill has estimated to have increased by £533 a year”²

Local partners are not able to change the costs of living, but we are able to support our residents as much as possible. To work with our partners and the voluntary sector to make sure that all our residents facing increased poverty get as much support as possible.

The cost of living in Havering

In the 2019 index of multiple deprivation, the majority of Lower Super Output Areas in Havering fell within the 9th Decile of deprivation, (where the 10th Decile is the least deprived), hence Havering is seen as a relatively affluent borough. There are, however, some pockets of significant deprivation. Thirteen LSOAs in Havering have a domain indicator in the most deprived 10% in England. Five of these are in the North of the borough, in Gooshays ward.

In 2020, more than 1 in 10 (11%) of households in Havering were classed as being in fuel poverty, which is similar to the Outer London average of 11.5%.

A household is classed as being in fuel poverty if:

- The household’s fuel poverty energy efficiency rating is Band D or below and
- Their disposable income (after housing and fuel costs) is below the poverty line.

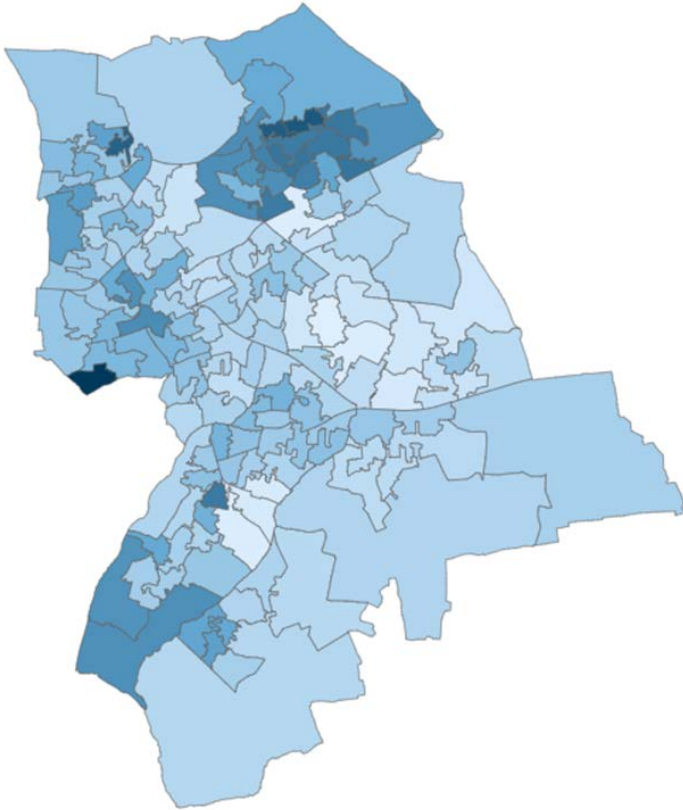
In some areas of the borough, as many as one in five households are in fuel poverty. Even in those wards which are generally perceived to be more affluent, such as Upminster, there are still between 7 and 10% of households in fuel poverty.

The heat map below shows the proportion of households in fuel poverty per LSOA (the darker the colour, the higher the proportion of fuel poor households).

¹ [Cornwall Insight August 2022](#)

² [Kantar August 2022](#)

% households in fuel poverty by LSOA



The latest available data for energy costs shows that Havering has the highest estimated annual energy bills of all London boroughs. This is thought to be linked to the age of the housing stock and poorer energy efficiency on the whole when compared to boroughs which have seen more housing development.

Wages in Havering are low compared to the rest of London and over the last 10 years, Havering has seen one of the greatest increases (along with Enfield and Haringey) in low paid workers. Added to this, Havering residents rely heavily on their cars for commuting to work. Havering has the third highest (within London) proportion of residents who commute by car and the third lowest proportion who commute using public transport.

This means that residents of Havering will be hit harder by not only the rising costs of energy but also the increased costs of fuel.

Objectives

1. Maximizing household incomes by encouraging the take up of local and welfare benefits for the residents of Havering.
2. Making sure residents have access to the support they need when they need it.
3. Work jointly with Council; NHS; other statutory, charitable, and voluntary services to provide support for those that need it.

*"...over **£15 billion** is being unclaimed by low-income households across the UK."*³

*"It is estimated that Havering has nearly **£4.5 million** in unclaimed pension credits"*⁴

Plan

1. We will be distributing the funding provided by government, making sure it gets to the people who need it. We will lobby for more resources to help those in need in the borough.
2. We are making sure residents receive the benefits to which they are entitled.
3. We will help residents manage their money.
4. We will show residents how to switch to cheaper energy tariffs.
5. We will be supporting improved energy efficiency within residents' homes.
6. We are working jointly with partners to maximise the help we can provide.

Groups we will be prioritising

- Residents with disabilities
- Low-income households, especially those with children and pensioners
- Residents who have pre-paid meters.

1. Funding

Emergency Assistance Scheme

In the first half of 2022, Government has provided £1.6million to support low-income households with food, energy bills and other essential items. This funding has been allocated to the **Emergency Assistance Scheme** to low-income families and individuals, to providing income for meals for children in low-income families during the holidays who receive free school meals. Funding has also been set aside for pensioners in receipt of Council Tax Support to further reduce their Council Tax bills.

Central Government have also provided £650 to low income-households to help with the rising costs of energy bills through their welfare benefits. Winter fuel payments, an allowance paid by the DWP has also been increased for pensioners to help with the cost of living crisis.

Council Tax

Through the Council Tax **Energy Rebate Scheme**, more than £12.3million has been given to over 102,000 households in payments of £150 (and £17 where Council Tax Support is not in payment or there are no vulnerability issues and the Council Tax property band is E to H) to help with the increasing cost of energy fuel bills.

Council Tax Support provides just under 15,000 low-income households with over £15 million in total to help reduce their Council Tax bills.

More recently in September 2022, Central Government has announced the capping of energy fuel bills at £2,500 for the average household.

³ [entitledto](#), Jan 2021

⁴ [Policy in Practice](#) August 2022

Benefits

Business as usual benefits include **Housing Benefit** which helps more than 7,300 residents with their rent at an estimated cost of just over £49 million in 2022/2023.

In addition, just over £455k **Discretionary Housing Payment** funding has been provided to top up Housing Benefits where tenants are particularly struggling with their rent payments.

The Council also provides hardship payments to help individuals in exceptional circumstances with their Council Tax. Owner occupiers and private tenants may be able to get funding for energy-saving improvements, to help keep warm while saving money on energy bills and helping to reduce carbon emissions. This is being promoted as part of a consortium with the Energy Hub and the programme is branded "Sustainable Warmth".

Energy Efficiency

Grants are available, for qualifying households, to increase energy efficiency of residents' homes. All funding applications are arranged on the resident's behalf by Warmworks, who will also manage all the energy efficiency installation works.

The Council has secured £1.3m of funding through the Social Housing Decarbonisation Fund (SHDF) which will tackle some of the worst performing council owned housing Stock. We will introduce fabric first measures (external wall insulation, new windows, doors, loft insulation) to circa 120 properties to bring the properties up to at least EPC C, this requires us to more than match fund the scheme from the HRA (Housing Revenue Account).

2. Getting the benefits, you are entitled to

- Contacting those residents who are entitled to benefits but not receiving them
- Helping residents identify the benefits they are entitled to by providing links to free online benefit calculators

3. Managing money

- Make access to free online budgeting tools available through our 'Havering £ helps'
- Delivering face-to-face support for those that need it
- Promote 'money management' courses delivered by Havering Adult College

4. Switching tariffs

- We will support residents to get the best deals for energy
- We are working with energy companies to support residents

5. Making homes more energy efficient

- Working directly with low EPC rated homes
- Work with the Green Volunteers to promote making homes energy efficient
- We will deliver energy advice face-to-face

6. Joint Working

- We will work with established community groups to deliver services locally
- We will look for additional funding for community and voluntary sector groups

7. Ending Food Poverty

- We are supporting local food banks
- We are funding free meals for families
- Automatically awarding 'Free School Meals' for eligible families and promoting take-up with schools.
- Promote the Holiday Activity and Food Programme to vulnerable families.

Legacy

We will ensure that help and support for residents will be ongoing