

# LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Policy Oversight Board

**Date:** 16/07/2025

**Subject:** Cost of Living Progress Report

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## SUMMARY

This is the fourth in a series of reports to the Policy Oversight Board on H&F's Cost of Living (COL) response programme. Together with Appendix 1, it provides an overview of activity from 2022/23 to 2024/25 and outlines the strategy for 2025/26. The report highlights the Council's continued commitment to supporting residents through economic hardship with a compassionate, data-informed, and financially efficient approach.

Over the reporting period, the Council invested £9.55 million, including £8.5 million from the Household Support Fund (HSF).

In 2024/25 alone, 76,000 awards of help were delivered to residents across the borough.

The programme has advanced the Council's strategic approach by:

- Working in partnership through the COL Alliance
- Prioritising hardship relief for the most affected groups
- Providing universal advice and support, and
- Strengthening links to long-term strategies addressing fuel poverty, food insecurity, and financial inclusion.

The report also notes upcoming national policy changes, particularly the planned replacement of the HSF with the Crisis and Resilience Fund from April 2026, which is expected to provide more sustainable, multi-year funding for local crisis support.

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## RECOMMENDATIONS

1. That the Policy and Oversight Board note the report and provide comments and feedback on H&F's response to the COL crisis.
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**Wards Affected:** All

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Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The COL programme has sought to build shared prosperity through alleviating crisis and providing support to residents and households.
Creating a compassionate council	Our COL strategy has targeted our resources to residents and families most in need, informed by data, policy research and engagement with the COL Alliance and other partners.
Doing things with residents, not to them	We have built the COL Alliance with voluntary and community sector organisations and other local partners to help guide priorities as part of our response, share resources and knowledge and place residents' voices at the centre of the work.
Being ruthlessly financially efficient	We have taken a ruthlessly financially efficient approach to the management and delivery of support, through making best use of existing resources to work flexibly across the organisation, so more resources reach those that need it.
Taking pride in H&F	The COL response programme focuses on helping residents most in need and strengthening partnerships locally through the COL Alliance.
Rising to the challenge of the climate and ecological emergency	Support to residents with energy bills and with energy efficiency improvements have formed a key part of the programme.

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## Background Papers Used in Preparing This Report

None

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## DETAILED ANALYSIS

1. The Cost of Living (COL) programme has been a cornerstone of H&F's response to economic hardship since its launch in 2022. It has delivered **targeted, compassionate, and financially efficient support** to residents most affected by rising living costs.
2. The programme's strategy has focused on:
  - Building a strong alliance of partners across the borough
  - Delivering hardship relief to those most in need
  - Providing universal access to advice and guidance, and
  - Strengthening links to longer-term anti-poverty strategies.

3. The programme was developed in response to sustained economic pressures faced by residents since 2022 - particularly inflation in food, fuel, and housing. The Council recognised the need for a coordinated, compassionate, and resident-focused response.
4. The strategic approach has been shaped by the Council's commitment to social inclusion, financial efficiency, and resident-led service design. The formation of the COL Alliance, a network of voluntary and community sector (VCS) partners, has been central to delivering support that is both targeted and holistic.
5. Key elements of the strategic context include:
  - **Persistent Economic Pressures:** From April 2022 to March 2025, UK inflation including housing costs reached 14%, with food and non-alcoholic beverages rising 26%, and housing and utilities 15%. London's higher housing costs and the disproportionate impact on lower-income households have intensified local need.
  - **Local Indicators of Need:** H&F has faced demand for support, with 9,000 households in fuel poverty, 2,500 residents using foodbanks monthly and 1,500 households in temporary accommodation. Despite these pressures, the borough has mitigated some impacts through strong local leadership and a resilient local economy.
  - **Integrated Policy Framework:** The COL programme is embedded within a wider framework of progressive policies. In 2025/26, this includes over £50 million in support such as £12.5m for Council Tax Support, £22.5m for Free Home Care, £7.2m for SEND School Transport, £9m for Concessionary Fares, free school breakfasts, Local Support Payments, and low council rents.
  - **Flexible and Efficient Delivery:** The Council has adopted a ruthlessly financially efficient approach, using data to target support and integrating COL funding with service support to maximise impact and relieve demand pressures.

### Overview of Support (2022/23 to 2024/25)

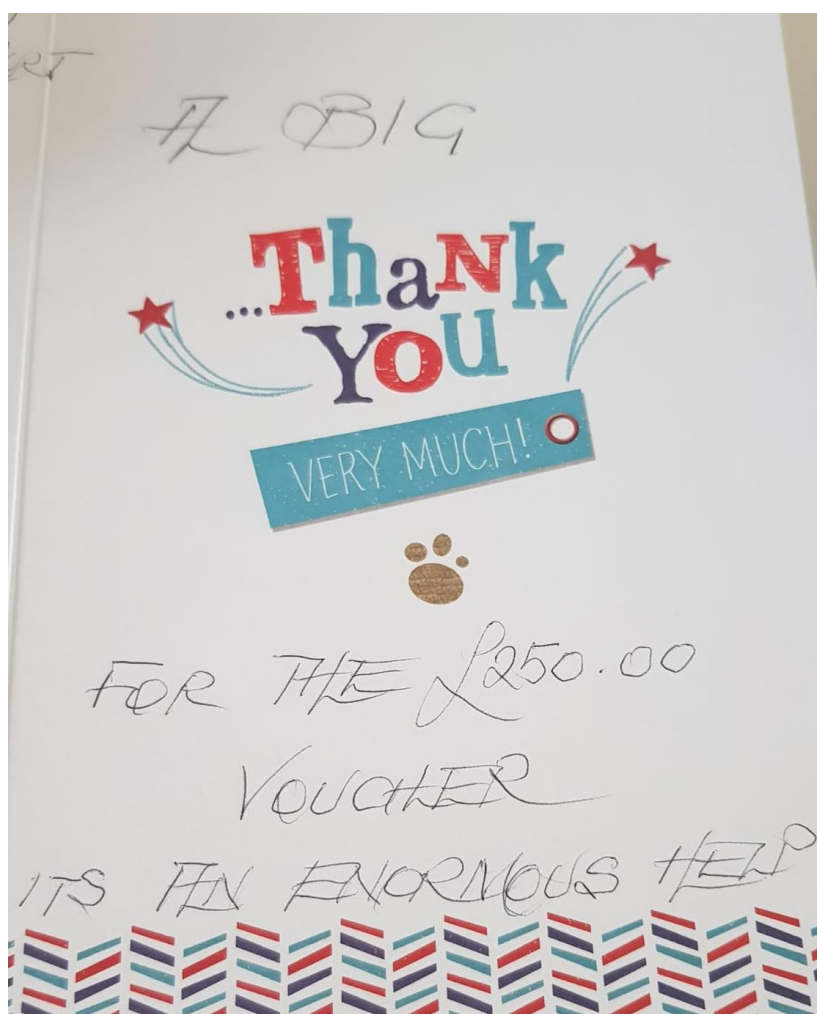
6. Appendix 1 provides an overview of the programme's support from 2022/23 to 2024/25. This period has seen investment of £9.55m and has seen the programme achieve significant milestones.
7. £1.7 million was invested in **community-based schemes** providing universal advice, guidance, and direct support to residents. Key initiatives included:
  - **COL Advice Team:** Since mid-2022/23, the team has handled 43,000 calls, supporting 10,000 residents, primarily residents claiming benefits. The team has helped residents maximise income through access to COL support, Discretionary Housing Payments (DHP), and Council Tax

reductions. In 2024/25, the team issued 2,162 fuel vouchers, supporting 3,500 low-income recipients (79% adults, 21% children).

- **Winter Support Fund (WSF):** Delivered in partnership with H&F Giving, the WSF provided 63 grants to voluntary and community sector (VCS) organisations. In the most recent round, these grants supported 5,700 individuals across 3,500 households.
  - **Warm Welcome Spaces:** A total of 21 spaces were delivered across the borough, offering food, activities, and a warm, welcoming environment. In winter 2024/25, 10 spaces supported 6,700 recipients, many through ongoing community activities.
  - **Communications and Access:** The Council has prioritised clear and accessible communication through the COL webpages, two widely distributed COL booklets, and community engagement events. Looking ahead, we will launch the H&F Community Compass in autumn 2025—an online directory of VCS services to help residents access support earlier and more easily.
8. Under the **Hardship Relief theme**, £5.9m has been spent providing immediate relief to residents in hardship and to avert crisis. Key components included:
- **Demand pressures:** With rising living costs increasing demand, £2.15m was allocated to services to respond to residents' needs, including extended Council Tax support and funding for Children's Social Care.
  - **Cash-First and Voucher Assistance:** The Council delivered direct financial support to residents in need, helping 5,350 residents with financial payments of £250–£500. This included:
    - Care-experienced young people living independently
    - Low-income pensioners who lost Winter Fuel Allowance eligibility
    - Disabled and housing benefit-claiming households excluded from national schemes.
  - **Hardship Prevention Fund:** A new welfare assistance scheme was launched to complement the existing Local Support Payments. This fund offered greater flexibility and higher award values, issuing 760 awards by March 2025, with an average award of £500.
9. Recognising the importance of early intervention, £1.8 million was directed to **preventative schemes** aimed at reducing the risk of future crises. While the HSF is primarily for immediate relief, recent rounds have allowed for a stronger focus on prevention. Key initiatives included:
- **Healthy Homes Initiative:** Launched in 2024/25, this one-stop service supports residents in fuel poverty through advice on energy arrears and financial issues, community engagement and home assessments, access to energy efficiency measures and government grants.

- **Food Security:** The programme supported the Cabinet-approved Food Action Plan, including coordination of the Food for All partnership and provision of crisis food support.
  - **Homelessness Prevention:** A total of £1.15 million was invested to support residents at risk of homelessness, including those in temporary accommodation, the private rented sector, and social housing. Over three years, this support resulted in 2,100 awards, helping residents avoid eviction and sustain tenancies.
10. 76,000 awards of help were awarded to residents across the borough in 2024/25, up from 69,000 in 2023/24. Targeted support was provided to families, single person households, Disabled residents, pensioners, the care experienced, homeless households and households just about managing.
  11. Appendix 1 includes testimonials from residents and community organisations, offering insight into the real-world impact of the programme. This includes a recent 'Big Thank You' message sent to the Cabinet Member for Social Inclusion and Community from a local pensioner who had received a £250 voucher from the Council, to put towards their energy and living costs.

**Figure 1 – 'Big Thank You' message**



12. Additionally, in 2024, the Department for Work and Pensions undertook an HSF monitoring visit. They concluded, “*Compassion is at the heart of (H&Fs) approach...Those involved in delivery were passionate about using the fund to provide the right help for those who needed it, in a well-rounded and thought-through way....*”.
13. The COL Alliance has been instrumental in delivering the programme’s outcomes. Since January 2023, a Steering Group has convened regularly to share resources, provide strategic advice, and support the implementation of schemes. To date, the Alliance has hosted seven COL-focused conferences and workshops, with an eighth planned for later this year. The Steering Group has also played a key role in shaping the upcoming H&F Community Compass, a digital directory of local support services.

### **Funding strategy 2025/26**

14. The strategy for 2025/26 continues the overall strategic approach of delivering alongside an Alliance of partners, prioritising hardship relief to key groups most impacted, offering universal help and guidance to anyone that needs it and supporting preventative work through longer-term strategies.
15. A total of £2.7 million is available, which will fund approximately 15 targeted schemes. Given the limited resources, the programme will concentrate on fewer, high-impact initiatives across three core areas:
  - **Community Support:** Continued funding for the COL Advice Team, enhanced communications and outreach, and grants to community organisations.
  - **Hardship Relief:** Targeted financial assistance and support for services facing increased demand for resident support.
  - **Preventative Support:** Ongoing investment in homelessness prevention and support for strategic initiatives such as the Fuel Poverty Strategy, Food Action Plan, and the development of a Financial Inclusion Strategy.

### **Future Considerations**

16. The COL programme has been delivered in a context of national funding uncertainty, particularly due to the temporary nature of the HSF. While the Council welcomed the government’s decision to extend the HSF for a full 12 months in 2025/26, the previous five rounds were mostly six-month grants, each with separate conditions and no carry-over flexibility. Despite this, the Council successfully deployed 100% of available funding.
17. This short-term funding model has required significant agility in planning and delivery. While the programme has responded effectively - launching new initiatives and adapting to emerging needs - the lack of long-term certainty has limited the ability to scale or sustain innovation. A ruthlessly financially efficient (RFE) approach has also meant central management and delivery capacity has been kept lean to maximise the proportion of funding reaching residents. Much

of the programme has been delivered on top of existing workloads, relying on the commitment of both Council teams and external partners.

18. Recognising these challenges, the Council welcomes the announcement of the Crisis and Resilience Fund, a new multi-year grant scheme launching in April 2026 to replace the HSF. The government has committed £842 million annually to local authorities in England. The fund is intended to prevent hardship, not just respond to it, and will incorporate DHP to enable more integrated and efficient local crisis support. CoL resources have been used to expand DHP funding in the borough because of high demands for support following welfare reforms and reductions over time in DHP funding by the previous government.
19. DWP is currently developing guidance for the new fund, with sector engagement expected. H&F's allocation is not yet known, and further work will be needed to determine how best to target future funding.
20. In addition, the Council welcomes the widening of eligibility for Winter Fuel Payments in 2025/26, which will ensure that more low-income pensioners in the borough receive support with energy costs.

## **LIST OF APPENDICES**

Appendix 1 – Cost of Living programme overview