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# Cost of living crisis in Wales: A public health lens

## Executive summary

### Background

The current cost of living crisis is not just a temporary economic squeeze: it is having, and will continue to have, wide-ranging and long-term impacts on the health and well-being of the people of Wales.

These impacts have the potential to be on the same scale as the COVID-19 pandemic, which has already exacerbated existing inequalities in Wales.

### Aims

This executive summary outlines the ways in which the cost of living crisis impacts health and well-being. It also presents areas for action across a number of policy areas in order to take a public health approach to:

1. Mitigate the immediate effects of the cost of living crisis; and
2. Tackle the underlying causes of health inequalities caused by poverty in order to create a healthier and more equal Wales in the long-term.

Please see the full report for in-depth analysis.

## What is the cost of living crisis?

People's **wages and welfare payments are not keeping pace with rising living costs**, in particular, the costs of energy, fuel, housing, and food. Businesses and public services are also seeing their **budgets not go as far** in the face of rising costs. This is referred to as the 'cost of living crisis'.

## Why is the cost of living crisis a public health issue?

The crisis means more people are unable to afford the essentials, which has **significant and wide-ranging negative impacts on mental and physical health**. It also puts pressure on businesses, public services and the voluntary sector, with systemic consequences for health and well-being. Key examples of how the cost of living crisis links to health and well-being are summarised in Figure 1. The people affected and the systems and services that are needed to support them will feel the impacts **long-term**.

**The cost of living crisis is a public health emergency.**

## What does the cost of living crisis mean for Wales?

The cost of living crisis has the potential to affect everyone. It will push more people from just about coping to a state of struggling or crisis, but those who were already the worst off are those who are (and will be) hardest hit.

People living in the poorest parts of Wales already die more than six years earlier than those in the least deprived areas and spend more years in poorer health. The cost of living crisis will accelerate what were already increasing differences in health between those with more and less money in Wales.

## What does a public health response look like?

The elements that constitute a public health approach are set out in Figure 2.



Figure 2. Five elements common to public health approaches.

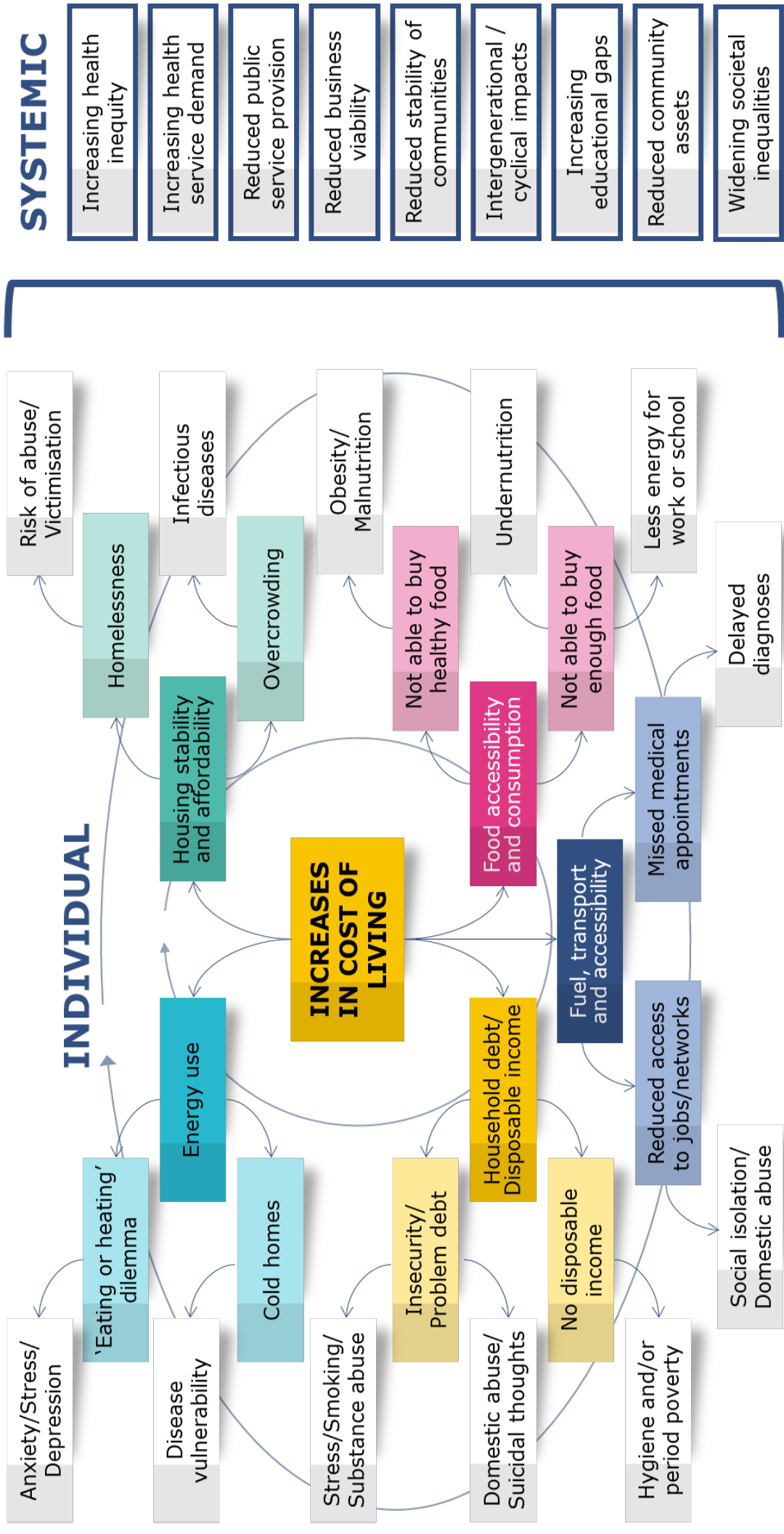


Figure 1. Conceptualisation of the ways in which the cost of living crisis links to health. Infographic developed by authors.

# A public health response in the short, medium and longer-term

Much of the health harms and widening of inequalities Welsh citizens are facing as a result of the cost of living crisis are due to long-standing, entrenched problems, such as poverty, lower wages, and an older, less energy efficient housing stock.

Consequently, the cost of living crisis requires an urgent public health response in order to **mitigate the negative effects of the immediate crisis** across a number of policy areas as well as **tackle the underlying causes of health inequalities to create a healthier and more equal Wales in the long-term**. The priority policy action areas are summarised in Figure 3 and explored in more detail in the following sections.

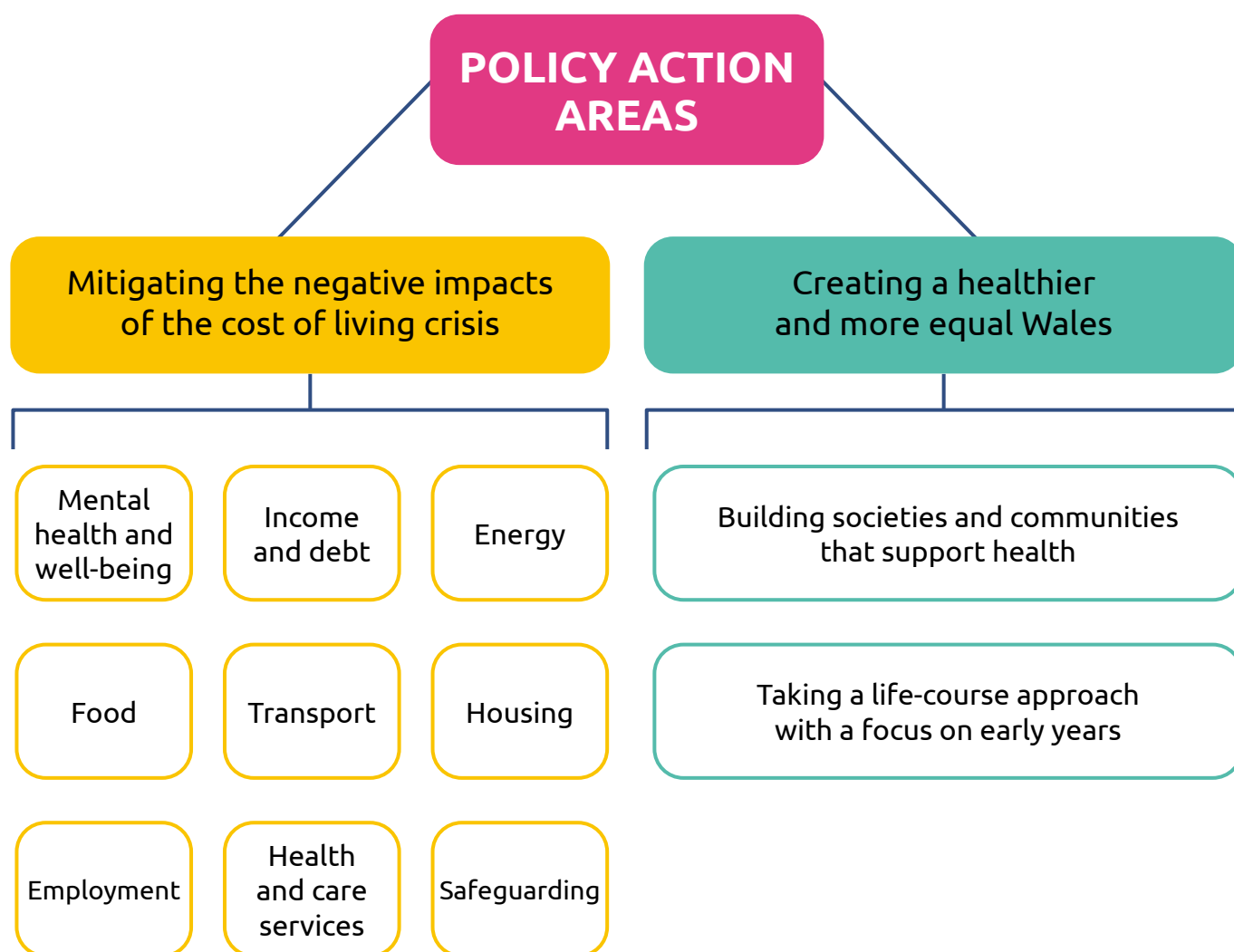


Figure 3. The priority policy action areas for mitigating the cost of living crisis on health and well-being and creating a healthier and more equal Wales

## 1) Mitigating the negative impacts of the cost of living crisis

Action is required across a breadth of areas in the short term to protect people from immediate harms, particularly as we go into winter months with higher fuel and food prices, and stretched public services. In view of further anticipated falls in household disposable income, rising poverty levels, and subsequent longer-term impacts on health and health inequalities, medium to longer-term action is also vital.

### Short-term response

- A focus on **mental health and well-being** support
- **Income maximisation** (including specific support on energy, housing and food costs) and debt support
- Efforts to reduce **fuel poverty** and the impact of cold homes
- **Homelessness** prevention
- Promotion of **healthy eating**
- Improved equity in **public service access**
- Increased protection against **social isolation**
- Employers supporting staff, including careful management of **redundancy**
- Health and care system stakeholders preparing for expected increases in **winter pressures**, for example those linked to colder homes and seasonal illnesses
- **Safeguarding** against an increased risk of violence and domestic abuse

### Medium/longer-term response

- **Energy efficiency** measures and a shift to **affordable, green energy**
- Improving **housing** availability, affordability and quality
- Developing healthy and sustainable **local food systems**
- Encouraging **active, low-carbon travel** and public transport
- Promoting **fair work**
- **Violence prevention** initiatives
- Enhancing **support for parents** to address common family stressors

## 2) Creating a healthier and more equal Wales

Harnessing the renewed focus on health inequalities has the potential to reap vital benefits in the longer-term as well as in the current crisis. Making good on this potential involves **thinking and planning for the longer-term** and **translating the evidence on tackling health inequalities into practice**.

Achieving these objectives means rethinking the approach to decision-making in policy areas that shape the building blocks for a healthy life. These policy areas include employment, education, income, housing, environment and community.

## A healthier and more equal Wales longer-term

The seminal review by Marmot, *Fair Society, Healthy Lives*, set out an evidence-informed framework for action to reduce the unfair gaps in health and well-being across the population.

It highlighted two, overarching policy objectives:

- 1) **To ensure social justice, health and sustainability are at the heart of policies;** and
- 2) **To create an enabling society that maximises individual and community potential.**

For Wales, achieving these objectives involves:

- **Implementing the Well-being of Future Generations Act, Socio-economic Duty and other enabling legislation** in order to mainstream consideration of health, well-being and equity in all policies ('health in all policies').
- **Building societies and communities that support health**, including:
  - **Community resilience, community cohesion and social capital:** Healthy communities are connected and empowered ones. The COVID-19 pandemic saw communities pull together, mobilise resources and work in partnership with the public, private and voluntary sectors. This experience can be learned from and built on to support the response to the cost of living crisis.
  - **Healthy behaviours:** Promoting healthy behaviours should be an area of focus going forward, as in the short-term the cost of living crisis could increase unhealthy behaviours, and longer-term, promoting healthy behaviours can provide a return on investment and reduce the burden of ill health on the NHS.
  - **An 'Economy of Well-being':** Prioritising health and well-being in economic decisions, and thinking about how the health system in Wales can act as an engine for social, economic and environmental stability and well-being, creates co-benefits for the economy and the health and well-being of the population.
- **Taking a life-course approach with a focus on early years**, giving every child the best start in life, and ensuring their needs and rights are met, recognising that disadvantage can start before birth and accumulate over the life-course.

# Conclusion

The cost of living crisis has serious potential consequences for health and well-being, which for some people in Wales will be a matter of life and death.

A response to the cost of living crisis that mitigates against the negative impacts on health and well-being is urgently needed. At the same time, it is vital during this crisis not to lose sight of the need to tackle the underlying causes of health inequalities.

Public Health Wales can take a leading role in supporting and coordinating a system-wide public health response by the providing data, insight and evidence needed to enable action in the short and longer-term.

Public Health Wales hopes that the full report can provide a framework for prioritising population health and well-being during this time of crisis, while also setting a course for a healthier and more equal future for Wales.

## Further reading



*Circular Economies and Sustainable Health and Well-being*



*Influencing the Health Gap in Wales: Decomposition analysis discussion paper*



*Protecting the mental well-being of our future generations: learning from COVID-19 for the long term*



*International Horizon Scanning and Learning Report: The Cost of Living Crisis*



*Resources for Sustainable Health*



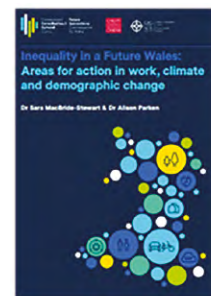
*Sustainable Investment in Population Health and Well-being: Towards a Value-Based Public Health*



*Making a Difference Housing and Health: A Case for Investment*



*Mass Unemployment Events (MUEs) – Prevention and Response from a Public Health perspective*



*Inequality in a Future Wales: Areas for action in work, climate and demographic change*



*Making a Difference: Investing in Sustainable Health and Well-being for the People of Wales*