New measures coming in to ease cost of living pressure: 1 April 2026

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In an uncertain and volatile world, the Prime Minister is continuing to work with allies to push for de-escalation in the Middle East – which is the surest and quickest way to bring down pressures on prices.

On Monday, he hosted a roundtable with energy, insurance, and shipping companies and on Tuesday he chaired a COBR(M) meeting to assess the situation with Cabinet colleagues.

Measures coming into force today include:

- Increasing the National Living wage to £12.71 – a £900 boost for 2.4 million workers

- Increasing the National Minimum Wage to £10.85 – a £1,500 boost for over 200,000 young workers

- Cutting energy bills by an average £117 a year for millions across the UK – locked in until end of June

- The Crisis & Resilience Fund starts running – enabled by £1bn of funding – which helps vulnerable households with things like heating oil

- A freeze on prescription prices – so people aren’t spending more than a tenner on their medicines

This follows an update to the public on 16th March where the Prime Minister set out five steps that were already in place on the cost of living. These were:

1) Cutting the energy price cap until the end of June – thanks to last year’s Budget

2) The Chancellor’s decision to extend the cut in fuel duty until this September

3) £53 million for households that are most exposed to heating oil rises

4) Building Britain’s energy security and independence

5) Ongoing work towards a swift resolution of the situation in the Middle East

The cut to the energy price cap comes on top of the £150 Warm Home Discount that around 6 million families will have received this winter, following its expansion last year – and eligible billpayers will continue to receive this support every winter for the rest of the decade.

Prime Minister Keir Starmer said:

“In an uncertain and volatile world, it is my government’s duty to protect the British people at home

and abroad.

“I know the public are concerned about the conflict in Iran and what it means for them and their families.

“I want to reassure them that they have a government on their side, working with allies on de-escalation and bearing down on the cost of living.

“Today, millions of people up and down the country will see energy bills go down by £117, wages go up for the lowest paid, and more support will be available for people who need it most – because of the decisions this government has taken.

“But we must go further to bear down on costs, and that means pushing for de-escalation in the Middle East and a re-opening of the Strait of Hormuz. That is the best way we can bring down the cost of living for families and that is my focus.”

https://www.gov.uk/government/news/new-measures-coming-in-to-ease-cost-of-living-pressure-1-april-2026