

New cost of living support package is very welcome: but there are still long term, structural issues to solve.

The new package of measures announced by the chancellor to help ease pressures on household finances are most welcome and go beyond what many were expecting to see. They have taken the advice of many charities and experts to use the benefits system to target support at the most vulnerable. However, with average energy bills expected to rise from £1277 to £2800 in the Autumn many households will still struggle. The issue of growing hardship and poverty will not be solved overnight, there are still big changes we need to see in the way our systems support people and the unhelpful narratives often levelled against those who are struggling.

This letter signed by organisations and community leaders from across Shropshire is to express the extent of their concern about a cost-of-living crisis which looks set to be with us well into next year, and will have far reaching negative impacts for years to come. While local, joined up support can play a vital role in supporting Shropshire's most vulnerable residents- it cannot shield people from the full brunt of the cost-of-living crisis. Local organisations and community groups are already overburdened and under resourced. We are calling for a commitment to long term support for the most vulnerable during a crisis which could last for years. It is worth noting that while the cost-of-living crisis has greatly exacerbated the issue, food insecurity, poverty and hardship levels have been unacceptably high since before the outbreak of the COVID-19 pandemic.

Despite what some common narratives around poverty may say, the widespread hardship we are seeing is not a result of poor financial choices. The issue is a lot more complicated than this. We are facing what many organisations are referring to as 'the perfect storm'. People's financial resilience has been worn away over 2 years of the pandemic and we are now seeing a sharp increase in food prices, energy costs increasing by as much as 50% (due to increase again in the Autumn) and benefits subject to only a 3.1% rise as inflation hits a 40 year high of 9%. The Office for Budget Responsibility has reported that we will see "the biggest fall in living standards in any single financial year since ONS records began in 1956-57".

Food banks in Shropshire have seen the main reason for referrals to their services change from benefits issues and financial shocks to 'insufficient income'. Or, to put it another way, the current economic landscape means many households do simply not have enough money to be able to afford life's essentials. In the words of Martin Lewis, the current crisis we are facing is 'not something money management can fix'.

Communities across Shropshire have been working tirelessly over the pandemic to support those who have fallen through other safety nets. As we brace for the scale of challenge facing us now is the time to recognise that those who are struggling deserve to be treated with dignity and respect. Economic hardship will hit those who are already struggling, it will also unfortunately arrive at the door of people who until now have been just about managing. [National research](#) and [local research in Shropshire](#) has shown that one of the biggest reasons people do not come forward for the support they are entitled to is the stigma they feel as a result of being on a low income.

While we will all feel the pinch over the coming months, inflation is not felt the same by everyone. Cost of living pressures will hit the lowest income households the hardest as they spend a much

greater proportion of their income on food and fuel. The Institute for Fiscal Studies estimate that in April the bottom 10% of the population in terms of income faced an inflation rate of 10.9%, which was 3 percentage points higher than the richest 10%. Now that the energy price cap has risen [single adult households on low incomes will have to spend 54% of their income after housing costs to pay their energy bills](#). The Resolution Foundation estimate that [absolute poverty will rise in 2022/23 by 1.3 million including 500,000 children](#).

It is not just those who are out of work that are struggling. [One in eight UK workers](#) are living in poverty. In Shropshire around 19,000 people are currently in receipt of Universal Credit in, almost double pre-pandemic numbers. 45% of these are in work. The reality is that many people who are in insecure and low paid employment, who are too unwell to work, have caring responsibilities or are on fixed pensions, are facing impossible choices. We have heard much media coverage of the 'heating vs eating' dilemma that many are facing. This may sound extreme, but it the reality of many people's lives.

[The latest data from the Food Foundation](#) shows that food insecurity levels have continued to rise rapidly, jumping from 4.7 million adults in January to 7.3 million in April of this year. 1 in 5 households with children struggled to put food on the table in the past month. This research shows the catastrophic impact the cost-of-living crisis is having on UK families.

In Shropshire we are not immune to this rising wave of hardship and poverty. Food banks across the county are reporting record levels of demand. They are seeing the people who come through the doors facing an ever-increasing set of complex challenges. Mental health issues, domestic abuse, debt, the list goes on. Problems that will not be solved by simply giving out a food parcel. Many food banks have also seen people calling on their support who have never needed it in the past. People who are in work, people who have previously donated to the food bank. Some food banks have even introduced an evening session, specifically to help support those who are working and cannot get to the food bank during the day. The support they can offer is not limitless, many are seeing donations drop off, are having to cut back on expenses or dip into reserves.

While poverty is driven by economic factors, its impacts on an individual's life can be devastating and far reaching. The saying goes that money can't buy you happiness- but what it can do is make your life much, much easier. Living in poverty strips individuals of dignity and robs them of the freedom to live without the constant worry of being able to meet the costs of life's essentials. It has negative impacts on a person's mental and physical health, both in the short and long term. Poverty is alienating and lonely, reducing a person's ability to participate in society and their communities. It is in understanding the implications of living in poverty that lets us understand why this is such a pressing issue, [you can read more in our Poverty Fact File here](#).

This crisis has the potential to have huge knock-on effects on the health and wellbeing of the population in the long term. We will see existing inequalities widen and greater burdens placed on the NHS and social care. Locally, work is underway to help residents weather the storm, such as Shropshire Council taking a cash-first approach to distributing the Household Support Fund, making sure the support available through this scheme reaches those who need it most. However, this fund cannot stretch to meet the needs of all those who will be struggling.

The cosignatories of this letter are asking the Government to:

-Commit to support beyond the end of this year- the uncertainty of not knowing what support will be available round the corner limits people's ability to manage their finances and hugely negative impacts on their mental health.

-Support for those who have oil or LPG central heating- many households in rural Shropshire rely on Oil or LPG central heating which is not subject to any price cap and spreading payments is not always possible or as cost effective. Currently a 1000lt of oil costs around £1000, over double the price of this time last year.

-Rural poverty is an often hidden, but very real issue- there is an issue of hidden inequalities across rural Shropshire where costs of living and particularly the rising costs of transport and fuel are having a disproportionate impact on people who are living in low wage economy. We would like to make a strong case for national policy change regarding support for the cost of living, for families who are impacted, for an increase in support for those of pension age. However, we specifically appeal that Shropshire be eligible for any future investment of funds due to high levels of need and rural, often more hidden inequalities, for poor health outcomes in these communities and rising impact on our care system. Programmes that support our children living in low income and levelling up must address rural disadvantage to give us the tools to support our residents in crisis.

-Reverse the decision to take away the Warm Homes Discount from nearly 300,000 disabled people- many disabled people who are due to lose their Warm Home Discounts feels that the Government have given with one hand and take from the other. The £150 Disability cost of living payment only covers this cost but offers no increase to deal with the rising cost of living.

-A commitment to tackling the bigger picture issues- the latest support package has been welcomed, but it will still only serve as a sticking plaster if the larger issues are not addressed. We need to bolster the adequacy of the social security system so it prevents so many people from living constantly on the edge of crisis.

It is a tribute to dedicated campaigning of many charities, and the voices of those living in poverty who have been brave enough to share their experiences, that we have seen more support announced. Calls for more support have united people from across the political spectrum around a common purpose. It is still vitally important that this work continues, for the issue of poverty in our communities is far from solved.

We encourage anyone worrying about money not to wait to come forward for support, to know that they are most definitely not alone in this struggle ([The ONS found that nearly a quarter of adults reported that it was very difficult to pay their usual household bills in the last month compares with a year ago](#)) and that there is support out there. For those who will be able to weather this storm in relative comfort we ask that you consider ways you can support others, information available in the links below.

A collective letter from,

Shropshire Food Poverty Alliance

Citizens Advice Shropshire

Age UK Shropshire Telford and Wrekin

Shropshire Good Food Partnership

Oswestry and Borders Food Bank

Market Drayton Food Bank

OsNosh CIC Community Kitchen

Barnabas Community Projects- Shrewsbury Food Bank Plus

Find help

[-'Worrying About Money?' leaflet](#) - helps you quickly identify local cash first support available to you

[-Shropshire Larder-](#) a community information resource bringing together a range of information that may be useful to those on a low income

[-Citizens Advice Shropshire-](#) an independent charity specialising in confidential information and advice to assist people with benefits, debt, consumer, housing and other problems.

[-Marches Energy Agency](#) - free impartial energy advice

[-Shropshire Council's Cost of Living Advice webpage](#)

Support others

[-Not in need of your £150 energy rebate?](#)