

# Cost of living Crisis



# Cost of Living – Income and Expenditure



The cost-of-living crisis is driven by several different areas of both income and expenditure.

89% of adults in Britain reported an increase to their cost of living in August 2022

In August the Bank of England projected household incomes would fall by 1.5% in 2022, then by 2.25% in 2023



# The Crisis- Energy



From July 2021 to July 2022 domestic gas prices have increased by 96% and domestic electricity prices have risen by 54%.

While national government is moving to cap typical energy bills to limit further increases on 1 October, this will still see a typical bill rise from £1,971 to £2,500 per year.

Low-income households spend a larger proportion of their income on fuel (18% on average, 54% for single adult households without children)



# The Crisis- Food



UK food price inflation has risen to its highest level since the global financial crash, with fresh food prices rising by 10.5% year on year in August.

Price increases have been driven by inflation on staples including milk, cheese and eggs. Typical household grocery bills are projected to rise by more than £500 a year

This is happening while benefits are at a 35 year low in real terms, and while coming out of a pandemic which disproportionately impacted those on low wages.



# Council Cost of Living initiatives



<b>Cost of living payments</b>	<ul style="list-style-type: none"><li>✓ Payments of £100 made in cash through the post office</li></ul>	<p>Includes support for:</p> <ul style="list-style-type: none"><li>✓ Households with FSM eligible children (payment per child)</li><li>✓ Residents eligible for healthy start</li><li>✓ Residents eligible for pension credit</li></ul>
<b>Energy fund</b>	<ul style="list-style-type: none"><li>✓ £1m allocated to provide grants of up to £200</li></ul>	<ul style="list-style-type: none"><li>✓ Targeted at those most at risk of being unable to pay bills</li><li>✓ Utilising council data to reach most vulnerable</li><li>✓ £200,00 earmarked for pensioners</li></ul>

Those eligible will receive letters with instructions on how to redeem their payment(s). Recipients will have three months to claim.



# Additional LBTH support



<b>Getting into work or training</b>	<ul style="list-style-type: none"> <li>✓ Workpath</li> <li>✓ Free early education entitlement</li> </ul>	<ul style="list-style-type: none"> <li>✓ Holiday childcare scheme</li> <li>✓ Childcare sector support</li> </ul>
<b>Advice and information to increase incomes</b>	<ul style="list-style-type: none"> <li>✓ Tower Hamlets Advice Consortium</li> <li>✓ Tower Hamlets Connect</li> </ul>	<ul style="list-style-type: none"> <li>✓ Tackling Poverty team outreach</li> </ul>
<b>Reducing living costs</b>	<ul style="list-style-type: none"> <li>✓ Council tax reduction scheme</li> <li>✓ Discretionary housing payments</li> <li>✓ Mayor's Free School Meals</li> <li>✓ Uniform Grant</li> <li>✓ Healthy Start vouchers promotion</li> </ul>	<ul style="list-style-type: none"> <li>✓ FOOD Store pantries</li> <li>✓ Fuel poverty</li> <li>✓ Holiday activities and food</li> <li>✓ London Community Credit Union</li> </ul>
<b>Emergency support</b>	<ul style="list-style-type: none"> <li>✓ Resident support scheme</li> <li>✓ No recourse to public funds</li> </ul>	<ul style="list-style-type: none"> <li>✓ Homelessness support</li> </ul>
<b>Life chances and wellbeing</b>	<ul style="list-style-type: none"> <li>✓ 12 Children's Centres</li> <li>✓ Poverty proofing</li> <li>✓ Parks, sport, leisure and culture</li> </ul>	<ul style="list-style-type: none"> <li>✓ Parent &amp; Family Support Service</li> <li>✓ Supporting stronger families</li> <li>✓ Partnership work on wellbeing, mental health &amp; loneliness</li> </ul>



# Existing Central Government support



<b>Energy Bills Support Scheme</b>	<ul style="list-style-type: none"><li>✓ £400 per household</li><li>✓ All households with a domestic energy meter eligible</li><li>✓ Money to be paid via energy companies</li></ul>
<b>Pensioner Cost of Living Payment</b>	<ul style="list-style-type: none"><li>✓ £300 per household</li><li>✓ Those over state pension age between 19th to 25th September 2022, and in receipt of Winter Fuel Payment eligible</li><li>✓ Paid as a top up to Winter Fuel Payment.</li></ul>
<b>Cost of Living Payment</b>	<ul style="list-style-type: none"><li>✓ £650 per household paid in two instalments</li><li>✓ Households on certain means tested benefits eligible</li><li>✓ Direct payment from DWP</li></ul>
<b>Disability Cost of Living Payment</b>	<ul style="list-style-type: none"><li>✓ £150 per claimant</li><li>✓ Claimants on certain means tested benefits eligible</li><li>✓ Direct payment from DWP</li></ul>
<b>Council Tax Rebate</b>	<ul style="list-style-type: none"><li>✓ £150 per household</li><li>✓ Most households in tax bands A-D eligible</li><li>✓ Payment made by local authority</li></ul>



# Other forms of support available



Welfare Benefits	Grants / Discounts
Universal Credit	Glasspool*
Carers Allowance	National Zakat Foundation*
Pension Credit	Energy Provider Grants*
Attendance Allowance	Thames Water Sure*
Personal Independence Payments	Vicars Relief Fund*
Disability Living Allowance for Children	Warm Home Discount*
Child Benefit	TFL and Job Centre Plus Travel discounts*

\* all discounts are subject to the terms and conditions of the discount provide

If you know someone is struggling with their fuel and water bills, they can contact East End Energy Fit who provide free, impartial and confidential advice- [eastendenergyfit@bbbc.org.uk](mailto:eastendenergyfit@bbbc.org.uk) 07719 867933 / 07903 088971

