

Insights

Cost-of-living crisis

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Context

The following report is drawn from consultation with our frontline staff on the impact of the cost-of-living crisis, providing a snapshot of what we are seeing in autumn 2022, both prior to and since the impact of the Chancellor's mini-budget. These staff provide and manage HIV support; sexual & reproductive health services; a parenting programme; and a welfare advice service to Deaf and Disabled people.¹

Like other charities delivering frontline health and wellbeing services, we have noticed a change in demand for particular support, both direct and indirect issues arising during this cost-of-living crisis.

The following insights illustrate the particular issues and pressures that people and communities face and reveal where support could be targeted to relieve poverty and improve mental health & wellbeing over the winter.

In response to the demand for information and advice across our services, we have also created a Cost-of-living Hub for service users, volunteers, staff and the general public: metrocharity.org.uk/cost-of-living-hub

Who is most affected?

As the cost-of-living pressures deepen within the ever-shifting political, fiscal, and economic landscape, we are supporting a range of individuals with issues directly related to the fallout of insufficient incomes and broader uncertainties about what the economic outlook looks like ahead.

Particular populations who are affected from METRO's perspective include:

- Deaf and Disabled people
- People living with HIV aged over 50, many with co-morbidities (cancer, diabetes, dementia, and various age-related conditions)
- Gay men living with HIV who are aged 50+ and live alone
- Black women living with HIV who are lone parents, including those who have experience domestic violence and/or abuse

¹ Italicised comments are from frontline staff who contributed to an insight session in September 2022 on the cost-of-living crisis.



- Young people and children facing socio-economic disadvantages, including LGBTQ+
- Young people experiencing poor mental health
- Working and workless people in receipt of Universal Credit
- Disabled people in receipt of Personal Independence Payments
- Parents living on low incomes in socio-economically deprived areas
- People with substance misuse issues and sex workers
- Migrants and refugees who are digitally excluded, including people with No Recourse to Public Funds

Organisationally:

Our METRO GAVS service supports the voluntary, community, and faith sector (VCS) in the Royal Borough of Greenwich. Specifically, small VCS organisations such as those with turnovers of less than £5,000 are struggling with inflation and fuel prices, many of which support residents at a grassroots level.

Impact: Cost-of-living crisis

These insights have been grouped into four areas of impact with summary recommendations at the end of each section:

- Energy costs
- Health
- Low incomes
- Staff & volunteers

Energy costs

75% of clients in some services require support, and report it is the main cause of concern or distress. Previously 40% of clients required support with energy costs, as a tangential issue.

One HIV manager spoke of a service user who contacted them in a state of distress for support due to her fear of losing gas and electricity supply. METRO's staff member who supported this person spent three hours on the



chat function of the energy company in question before being disconnected at the point of transfer to a phone operator.

Prior to this energy crisis, the frequency of such support and the duration of time involved was an irregular issue rather than the currently unsustainable level of demand from people who are anxious about their energy bills, confused about what support might be available, what they will access and when that will happen. Many of these individuals are also digitally excluded, or have associated financial concerns about phone and internet costs.

Direct support and signposting around the energy crisis has become a dominant feature of our frontline support and erodes the time available for other critical support, advice, and advocacy.

“Many of our service users don't have the voice to be able to do it for themselves, so that's going to be a problem. We're going to be spending a lot of time waiting in queues either on the phone or online [this winter].”

Disabled people are similarly contacting our welfare rights staff members for support during the energy crisis with queries that extend beyond our areas of expertise. Many are confused about what they qualify for and how to access subsidies, and have had difficulties in navigating these issues independently due to digital exclusion or anxiety and stress. We are providing direct support as well as signposting to other specialist services for energy advice however, like our HIV services, this level of demand is depleting our staff time for other areas of their work. It is unprecedented and unsustainable.

Recommendations:

- Energy companies need increased and efficient phone support
- More specialist energy welfare advice services are needed for charities such as METRO to signpost clients to for support, whether in the public or voluntary sectors
- Clear information is needed from local authorities on energy-related entitlements for residents and reduced bureaucracy in processing payments



- Voluntary sector funders, both trusts & foundations and public sector commissioners, need to provide emergency funding opportunities in consultation with the VCS about the most urgent needs and issues

Health

80% of some client groups experience food poverty; a rise of 20%

"Some service users are eating quite poorly because the good stuff is more expensive."

Discount supermarket shopping to reduce bills is affecting choices such as affordability of fresh fruit and vegetables. Perishable food choices for many people mean more frequent trips on public or private transport. This is a barrier for those on low incomes who are concerned about daily outgoings.

Attendance at essential GP and hospital appointments is becoming compromised for some HIV service users who are concerned about the cost of public transport, fuel and parking costs. Our frontline staff see this issue only escalating if incomes continue to be further squeezed without relief, such as bringing benefits in-line with inflation.

The energy crisis also has a direct physical health impact:

"There are clients who are really struggling within their homes due to mobility issues. They can't just travel, due to these [same] issues."

Some service users also face ongoing financial pressure with outgoings for overnight carers. For example some clients are being charged the 'bedroom tax' when their cases are assessed by local authorities as not meeting the criteria despite their need for a room for essential care. Also, this client group's need for warm homes is critical for their physical wellbeing, and although the Government's release of £150 cost-of-living payments has been welcome in September 2022, it is clearly insufficient for people who spend the majority of their time within their homes over the winter. This



compromises their basic physical comfort and health, with associated mental health & wellbeing implications.²

Tied to the impact of the cost-of-living crisis are other economic issues in public funding cuts. Health and adult social care service reduction, such as in contraception services, is an issue for our sexual and reproductive health staff in terms of concerns about clients' health:

"For sexual health and contraception services, so it's [now] much harder for service users to get appointments for a sexual health check-up or a face-to-face or a contraception appointment, for example renewal of contraceptive implants."

Long waiting times to get through to sexual health clinics by phone is also being reported due to insufficient capacity, as well as poor availability of essential products such as femidoms as an issue linked to deteriorating supply chains in the context of Brexit and wider economic issues.

Recommendations:

- Schemes that could improve access to fresh food for more people who are experiencing food poverty
- Emergency support for transport costs for those who are struggling, such as fuel and public transport vouchers or subsidies
- Relief for parking costs in food shopping areas and supermarkets

Low incomes

- METRO's £50 Hardship Grant client applications increase 45% from 2021
- Foodbank referrals have risen by 44% for some client groups, and rising to 65% in specific boroughs
- 85% of children in our HIV family support service are now experiencing poverty

² See, for example, Inclusion London's current campaign in response to the disproportionate impact of the cost-of-living crisis on Disabled people: [The cost of living crisis is hitting Disabled people hard: act now to support our campaign - Inclusion London](#) (accessed 10/10/2022).



"We are seeing a lot of poverty issues are caused by high bills. People are reporting that they're using all their benefits to pay electricity and they're saying that this has doubled for them."

For those concerned about essential costs and who qualify for social welfare support centrally or additional support locally, we are finding that there is a vast demand from people who struggle or are unable to navigate the online services and require intensive support from us. One example of this is for Council Tax Support which requires a convoluted process:

"You have to do a request form to the Council but they already know these people [qualify]...and those who are on direct debit receive automatic payments and those who are not have to apply online and that seems very unfair because many of our service users cannot use computers [or] they get too stressed about using them."

Avoiding unnecessary bureaucracy to release cost-of-living related payments direct, and expediently to people who qualify for them would reduce our labour and anxiety for service users, and allow us to help more people more efficiently.

Capacity is also an issue at the other end of the phone, for example within the Department for Work and Pensions, with our staff reporting wait times in excess of 50 minutes for a response to their calls. Clearly in the current cost-of-living crisis, further capacity for phone-based support would ensure those who are entitled to support receive advice and support promptly, and efficiently.

Less frequent car use is a solution for some people in managing their budgets, however this decision impacts on shopping for trips for those living outside urban centres and is also causing a drop off in participation within some support groups that METRO runs, for example serving people living with HIV in rural Essex. In our London services, people are also absent from appointments due to public transport costs.



Social stigma is also an issue for people we support who face limitations on activities they can afford, such as after school clubs for their children or holidays. Low income stigma is affecting both our service users and staff in talking openly about their struggles and the sense of personal shame they may feel about poverty.

We are seeing an upsurge in child poverty issues and families' use of foodbanks. One way we are engaging young people who face vulnerabilities in one-to-one support is via food-based incentives to attend, for example in providing mentoring to young people for relationships including sexual health advice and information.

Our parenting programme staff are also reporting on the mental health toll of levels of anxiety in families that is having an impact on young people with school attendance issues:

"[The cost-of-living-crisis] is affecting the way that they're relating and it's affecting relationships in the home."

Domestically, others we support are living alone and in isolation will only increase for those who are on low incomes during the winter. Frontline staff are reprioritising budgets to release modest pots of money to enable social activities for isolated people, or their peer support groups, to ensure that they also experience group trips to cafés, the cinema, and bowling to ensure that there is more on offer than survival.

Tell-tale signs of poverty are gathering momentum and causing social isolation. This is apparent in very personal issues, such as one service user deciding not to have another pet after his dog died, due to the cost-of-living crisis. While there may have been other reasons, the impact of the current economic climate is clear in considering that choice about what to prioritise in terms of survival versus wellbeing.

70% of some client groups experience digital exclusion or illiteracy

Across many of our service user groups, digital exclusion or digital illiteracy remains an issue and we note that this is a particular factor for our ageing clients, including people living with HIV, migrants and refugees, disabled



people, and older people across our client groups. The COVID-19 pandemic highlighted this topic as a pre-existing inequality in accessing up-to-date information, resources and support locally. Assisting people who are digitally excluded is time-consuming in our routine work, however in the context of a cost-of-living crisis, the intensification of need and demand for advice, information, and other support which is predominantly accessed online is overstressing our teams in delivering everyday support.

One example is migrants and refugees whom we support with applications and renewals for Biometric Residence Permits to prove their identity and legal entitlements in the UK. This involves an online application process that is inaccessible to many individuals.

In a continuing cost-of-living crisis, our staff also foresee further problems if people cannot afford to connect to Wi-Fi, at home or in public places, to easily access information and support for their health and wellbeing needs more broadly.

Recommendations:

- Department for Work and Pensions phone service increases its capacity in dealing with social welfare queries during this crisis
- Targeted support for families and children to lessen poverty and associated mental health & wellbeing impact of financial stress

Staff & volunteers

89 staff and 90 volunteers enable METRO's work and services.

"If staff are [also] struggling financially, it impacts our ability to deliver services."

"[This crisis] has an impact on our mental health because we're trying to juggle it and hold it for them. It gets just too much."

Organisations such as METRO are sometimes the only place where people feel they can turn for support within a system they find inaccessible, or for help in a crisis. The people we attract to work at METRO are compassionate



in supporting those individuals and groups such as family support and those who attend our peer support groups.

METRO's staff are themselves directly affected by the cost-of-living pressures and future income uncertainties despite our commitment as a Living Wage Foundation employer. Many voluntary sector workers' incomes are becoming inadequate to meet rising energy and food bills, along with economic instability in the wake of the September mini-budget for homeowners and ongoing issues with high rent costs in London and elsewhere.

Our service provision budgets are also affected by the reduction in public sector budgets that are not in-line with inflation for our commissioned services post-COVID-19, and METRO's increased operational costs with inflation.

However, for staff and volunteers providing essential support to some of the most disadvantaged people and communities, they cannot park their own financial stress and anxiety in the current climate in the way they might have done when they had more disposable income and a decent standard of living, if on a relatively modest wage.

Recommendations:

- Transport subsidies and/or vouchers for charity workers and other cost-of-living daily life support to reduce outgoings
- Local authorities and other public sector commissioning services need to consider the sustainability of their specifications with budgets that reflect the cost-of-living crisis and inflation for voluntary sector providers