



## **Cost of Living Assembly Report**

### **Introduction from the Chair – Rev Canon Dr Ellen Loudon**

Many families in the UK are being pushed deeper into poverty as living costs continue to rise. Some households are going without basic essentials such as enough food, a warm home and basic toiletries. Significant number of families and households are struggling to make ends meet which means they have to make difficult decisions such as deciding to pay bills or put food on the table.

As many are already feeling the effects of the Cost of Living Crisis (CoLC), the National Lottery funded Network of Kindness project is gaining insight and understanding into the issues that local communities are facing.

We asked faith, community and charity participants four key questions in a Cost of Living Assembly held on 13<sup>th</sup> September. This report will outline the discussion surrounding how we can support those in our area to listen, connect, equip and campaign for more justice and social action.

### **Executive Summary**

This report will address the background to the CoLC as well as what prompted us to decide to hold this assembly. We asked four key questions during the assembly and this report will look at the responses.

This has enabled us at Together Liverpool to gain further insight about the CoLC and the issues that are impacting local communities. This discussion has enabled us to form our responses to the CoLC.

### **Background to Assembly and Cost of Living Crisis**

This assembly was prompted by the CoLC. We gathered to engage in a discussion surrounding the effect of the CoLC. As a result of this assembly, the team at Together Liverpool has formed a series of responses.

The Cost of Living Crisis refers to the drop in 'real' incomes after inflation, taxes etc. A rise in inflation means that people's monthly income in terms of wages or benefits is worth less than it used to be. In addition to this, the cost of commodities such as energy, petrol and fuel are also contributing to the CoLC.

The CoLC has been impacted by a range of factors including the war in Ukraine which has caused a limitation on gas supplies across Europe. Ukraine's inability to export goods such as grain and timber is also contributing to this. Due to the pandemic, economies are slowly re-opening and there are also issues with supply chains.

However, we can see the most visible impact of the CoLC through rising energy prices. The current energy cap is £1, 971 per year. This means that, it is assumed for those in 2-3-bedroom houses that they use around 12, 000kwh of gas and under 3000kwh of electricity and therefore should not pay more than that figure.

According to the JRF, 3.7 million low-income homes were unable to adequately heat their homes at the start of 2022. Energy prices are set to increase during the Autumn period and it will be the most deprived people in the UK who will be disproportionately affected.

The energy price cap sets the maximum figure that can be charged to customers on a variable dual-fuel rate for use of gas and electricity for a six-month period. Ofgem estimates that 22 million households are on variable rates.

On 1<sup>st</sup> October, this cap will increase by 80% which means that the cap will be £2500 per year. Cornwall Insight predicts a further 52% increase in January which means the cap will be £5387.

Since the start of 2022, 7 million low-income households have gone without other essentials such as showers, basic toiletries, medication, adequate household furniture, essential dental treatments, weather appropriate clothing or they have experienced food insecurity and visited a food bank or a food pantry.

### Outline of Discussion

During the assembly, we asked faith, community and charity participants four key questions in order to gain a better understanding about how we can respond to the CoLC.

#### **1. How is the CoLC affecting you and those in your community?**

- There is an increase demand for food banks and pantries
- Many of those who access Universal Credit are concerned about their ability to cook in their homes due to cost
- Some groups of people such as asylum seekers, the elderly and the disabled are being disproportionately affected
- There is also an issue surrounding supporting staff in which commented that 'we don't want to be in a situation where our own staff need to use the food bank/pantry'
- Staff, teams and volunteers are experiencing burnout following from the pandemic
- There is also a pastoral demand to provide emotional support to people
- People in deprivation don't necessarily have savings which means that they cannot plan ahead in terms of finances

#### **2. How are you planning to respond?**

- Providing warm, hospitable spaces
- Advocating for those who are being forced into bad contracts and situations with energy companies
- LCVS are using their community grant funding this year to fund initiatives that are tackling the CoLC
- Faiths4Change currently provide Micah food bank with fresh vegetables through their community gardens and will connect with local allotments to increase the amount of fresh food that is available
- Amplify the voices of those who are affected by the CoLC
- Create long term security and sustainable projects and initiatives

#### **3. What's limiting your ability to respond?**

- Lack of funding
- Volunteer burnout
- Uncertainty surrounding the Government's plans to tackle the CoLC which means that it is difficult to provide advice to those affected
- It is difficult to know what projects already exist and to identify what the gaps are

- Lack of networking and connections within the community
- Cost of spaces i.e. there is an inability to heat large spaces such as churches
- Safeguarding is an issue in terms of opening up spaces
- Lack of confidence when lobbying local authorities

#### 4. What could we collectively be doing?

- Campaign for an increase in the asylum seeker rate of pay
- Food pantries could network with local organisations and invite other support providers to ensure that emotional, pastoral support is also offered
- Work collaboratively to lobby Government and local councils
- Increase networking in order to form connections with other organisations
- Raise awareness about the CoLC

#### Next Steps Following on from Assembly

The Network of Kindness project is committed to identifying practical next steps based on the discussion held during the assembly.

As a result of the Assembly and the feedback we received we identified 3 clear ways for us to build on our time together.

They are:

1. A desire for more assemblies to continue to build a clear picture of the impact the cost of living crisis is having in our communities and share the groups learning. We'll respond by hosting another assembly in November.
2. To develop partnerships with other organisations and social activists to learn from the work others are involved in. We'll respond by inviting all attendees to join a community of practice in October so they can be better networked with those working in similar contexts.
3. An interest in gathering together to pray on a regular basis. We'll respond by meeting on the 4<sup>th</sup> Thursday of every month at midday to pray together for 30 minutes.

#### **This report is signed by:**

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