



THE TRUE COST OF LIVING

The action needed to stem the rising tide
of destitution: March 2022

ABOUT THE TRUSSELL TRUST

The Trussell Trust supports a network of 1,300 food bank centres across the United Kingdom to provide a minimum of three days' nutritionally-balanced emergency food to people who have been referred in crisis, as well as support to help people resolve the crises they face. We campaign for change for people locked in poverty and to end the need for food banks in the UK.

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SUMMARY

The cost of living crisis is having an impact on all of us. As food and energy prices soar, families across the UK are feeling the biggest squeeze on their incomes in a generation, and there is no sign of a let up.

But this new research shows that for people already struggling to afford the essentials, the cost of living crisis goes much deeper. This is not just a cost of living crisis - it is a crisis of our social security system, which is failing to support people to keep their heads above water.

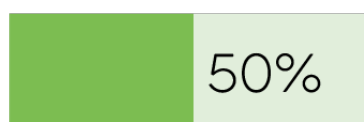
The Chancellor pledged that ‘everyone should afford the essentials’ - but paring Universal Credit to the bone is driving people into debt

The true cost of living is creating not just difficult decisions, but impossible ones. The result is that households are going without the essentials we all need in life. In its current form, Universal Credit is not making good the Chancellor’s promise that ‘everyone should be able to afford the essentials’¹ - instead it is driving people into debt.

YouGov polling² on behalf of the Trussell Trust lays bare what is really happening for the more than 5.7 million people on Universal Credit across the UK:



More than half (56%) report that they are going without at least one of the absolute essentials we all need to keep warm, fed and clothed.



Half (50%) are either already behind on their bills or are facing a constant struggle to keep up with them



Two in five (40%) have already fallen into debt following the Universal Credit cut last autumn.



One in three (33%) had been unable to afford adequate food: meaning they had more than one day in the last month where they didn’t eat at all, or only had one meal

These numbers paint a deeply concerning picture of a weakened social security system failing to protect people from the most severe forms of hardship. But this has been a long time in the making, as the rise in need for food banks and levels of destitution going into the pandemic has shown. A failure to act now, as living costs continue to spiral, risks leaving deep scars on the lives of the families facing impossible decisions between being pulled further into debt or going without even the absolute essentials in life.

¹ Government launches £500m support for vulnerable households over winter <https://www.gov.uk/government/news/government-launches-500m-support-for-vulnerable-households-over-winter>

² All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,506 UK adults claiming Universal Credit. Fieldwork was undertaken between 24 January - 15 February 2022. The survey was carried out online. The figures have been weighted and are representative of all Great British adults claiming Universal Credit (aged 18+). All figures are the Trussell Trust’s own analysis of data collected online by YouGov.

A system that works: the UK government must strengthen social security, to ensure that everyone can afford the essentials

The most immediate threat to households is the failure of social security - Universal Credit and legacy benefits - to keep pace with the real cost of living. Analysis by the Joseph Rowntree Foundation (JRF) suggests that 9 million families who receive benefits due to low incomes will be £500 worse off on average due to inflation from April.³ This is the equivalent of at least two monthly food shops for the average family on Universal Credit.⁴

The UK government showed during the Covid-19 pandemic, with the Universal Credit uplift and the package of support available to low income households, that the social security system is an effective way of getting support to people that need it most, and to do so quickly. The government can and must act now to strengthen to support available to households.

The Treasury must uprate benefits this spring, including Universal Credit, legacy benefits and support for housing costs, by the forecast rate of inflation of at least 7%, not the 3.1% currently planned.⁵

““If everything continues to rise and benefits don't rise to match the inflation, I will struggle hugely to keep my home warm and lit, and my family fed, clean and dressed. I already struggle, but with the costs increasing I am finding I have to buy less food to keep within my budget. I have a young daughter and I am [having] to make difficult decisions on how much I can go without so she has everything she needs.”

Person on Universal Credit, YouGov 2022

Nevertheless, this would only stop further backsliding. Even if payments keep pace with current inflation, the social security system would still be a long way from protecting people from debt and destitution. Even before the current cost of living crisis started to bite, the Resolution Foundation forecast that unemployment benefits in 2022-23 would be at their lowest level in since 1990-91, just 14 per cent of average earnings by 2024-25 and half the value in the early 1970s.⁶

This has been a long time in the making. Social security is not just there for national crises. That is why the UK government should work with people with lived experience of the system, to develop a plan to ensure everyone can afford the essentials, including:

- Reforming the design of Universal Credit so that it pulls people out of, rather than pushes people into, destitution and debt - particularly through payment levels and unaffordable debt repayments
- Delivering a new settlement of integrated local crisis support, backed by long-term funding of at least £450 million a year in England, to empower communities to help people cover unexpected costs.

³ 400,000 people could be pulled into poverty by real-terms cut to benefits in April, JRF, 2022

<https://www.jrf.org.uk/press/400000-people-could-be-pulled-poverty-real-terms-cut-benefits-april>

⁴ Trussell Trust analysis of the Living Costs and Food Survey 2019/20. Accessed through the UK Data Archive: Office for National Statistics. (2021). Living Costs and Food Survey, 2019-2020. [data collection]. UK Data Service. SN: 8803, DOI: 10.5255/UKDA-SN-8803-1

⁵ At the time of writing, inflation is forecast to increase to 7.25% in April 2022, 'Will inflation in the UK keep rising?' Bank of England, February 2022 <https://www.bankofengland.co.uk/knowledgebank/will-inflation-in-the-uk-keep-rising>. More recent commentary suggests this might rise still further

⁶ Social Insecurity, Resolution Foundation, January 2022 <https://economy2030.resolutionfoundation.org/wp-content/uploads/2022/01/Social-Insecurity.pdf>.

HOW WE GOT HERE: NO SECURITY IN SOCIAL SECURITY

Rising costs and falling benefits - two sides of the same coin

Rising costs and falling benefits are two sides of the same coin - the combined effect is what is pushing households to breaking point, undermining the resilience of families and communities to afford the essentials.

The Chancellor recently rightly recognised that: ‘it is incumbent on government to support people, especially those unable to support themselves, and through the welfare state, public services and education’.⁷ Last autumn he was clear that ‘everyone should be able to afford the essentials, and we are committed to ensuring that is the case’.⁸

But because social security has been allowed to become increasingly threadbare, we are moving further from - not towards - that laudable aim, failing to protect the resilience of families and communities in the face of increasing costs.

Social security - basic payments offer little or no buffer from destitution

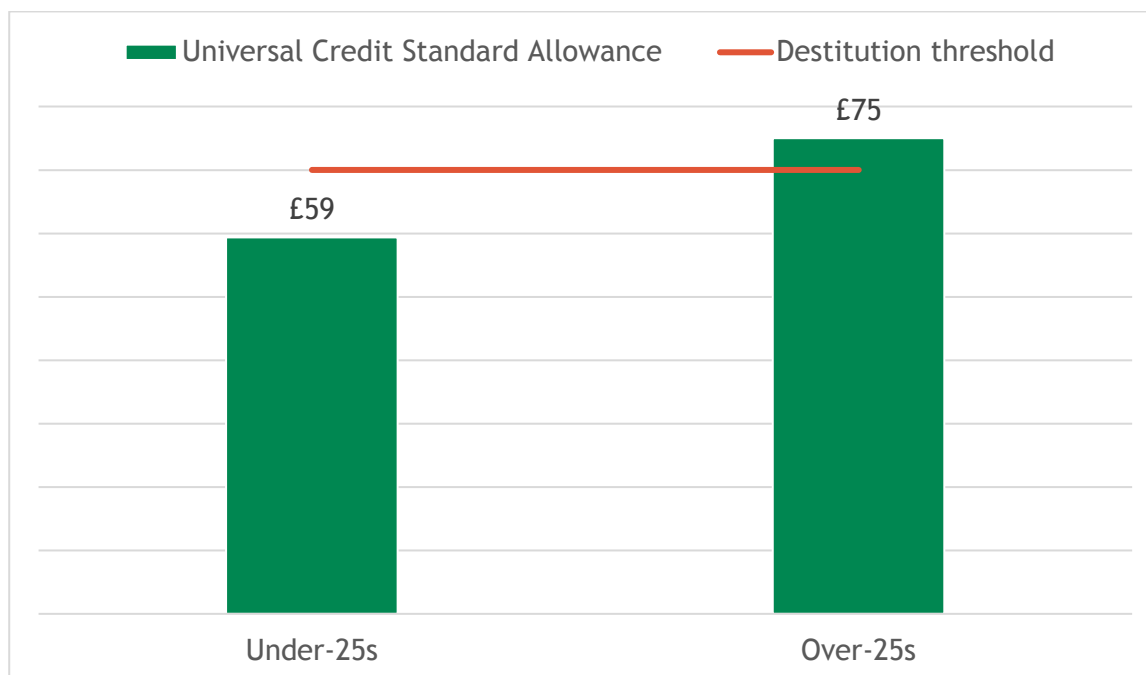
Basic rates for benefits are at their lowest levels in at least 30 years.⁹ The result is that benefits are not only failing to protect people from poverty - they are failing to protect people from the deepest forms of poverty. Current benefit rates pay little more than the threshold established for destitution, where people cannot afford the essentials we all need to keep fed, warm and dry.

⁷ Chancellor Rishi Sunak's Mais Lecture 2022 <https://www.gov.uk/government/speeches/chancellor-rishi-sunaks-mais-lecture-2022>

⁸ Government launches £500m support for vulnerable households over winter <https://www.gov.uk/government/news/government-launches-500m-support-for-vulnerable-households-over-winter>

⁹ This is likely to fall even further. Resolution Foundation forecast the value of most benefits may fall by 4.2 per cent in real terms over 2022-23 as a whole, taking the core level of support in the benefit system to its lowest level in real terms since 1983-84. The Living Standards Outlook 2022, Resolution Foundation, March 2022.

Figure 1 Comparison between weekly Universal Credit standard allowance 2021/22 and £70 destitution threshold¹⁰



The standard allowance is the main out of work benefit of Universal Credit, intended to cover day to day living costs for working age adults (excluding additional costs such as housing, children, disability). The fact that the standard allowance is barely above the destitution threshold, which measures the income required to afford the absolute day to day essentials, points to how weakened the social security system has become. This leaves people just one small unexpected cost from destitution every single week. For the under 25s, their level of income from the standard allowance is already lower than the threshold for real destitution.

Extremely low levels of benefits are being further eroded by punitive deductions

Latest data shows that four in ten of people on Universal Credit are facing deductions from their benefits on top of these extremely low levels.¹¹ These take the form of the repayment of advance payments taken to cover the five week wait for a first payment, the repayment of benefit overpayments, and third party deductions to cover things like energy and water bills.

Universal Credit claims with deductions in November 2021¹²



2 in 5 (42%) of UC claims had a deduction

£61

of UC income was deducted on average

¹⁰ JRF set the ‘low income’ threshold for destitution at £70 a week for a single person (after housing costs), by averaging: the actual spend on essentials by the poorest 10% of the population; 80% of the JRF ‘Minimum Income Standard’ costs for equivalent items; and the amount that the general public thought was required for a household of their size to avoid destitution, in an omnibus survey undertaken as part of the original study. Destitution in the UK, JRF, 2020 <https://www.jrf.org.uk/report/destitution-uk-2020>.

¹¹ Covers claims with a payment due in November 2021, calculated as a sum of deductions at constituency level. Universal Credit: Deductions written question <https://questions-statements.parliament.uk/written-questions/detail/2022-02-24/129166/>

¹² Ibid.

It is not just deductions that reduce low benefit incomes even lower. The two child limit and benefit cap are policy choices which leave families with less support than they need to afford the essentials, particularly when costs are rising.

As a result, vast numbers of people in practice receive an even lower income than the already insufficient basic rates, making it even hard to keep people out of destitution.

Political choices have got us here - and they can get us out

This is a dangerous situation which has been a long time in the making.

Benefit rates will have declined 9% compared to inflation over the last five years.¹³ A variety of political choices have helped to create this situation.

After below-inflation increases in benefit payments, a complete freeze on working age benefits in 2016 was instigated. Prior to the pandemic, the Resolution Foundation estimated that the social security budget would be £34 billion lower per year in 2023/45 than in 2010.¹⁴ The result of this is that households claiming benefits have seen their income and spending power fall year on year - with serious human costs.

The scale of the economic impact of Covid-19 brought greater exposure to the costs of these decisions, with widespread recognition that our social security system was no longer fit for purpose, unable to provide people with the support we all need to protect us from harm.

The UK government responded by implementing the temporary £20 uplift to Universal Credit.¹⁵ This provided a lifeline to families during the pandemic, and evidence suggests it will have mitigated many of the worst income crises during the pandemic.¹⁶ Yet the government chose to end this vital support in October 2021, pushing benefit rates to the lowest level in decades.

The situation since the withdrawal of vital support through our social security system is far more dangerous for households on the very lowest incomes. Whilst the reduction in the Universal Credit taper rate has helped some low income households that are in work, for households who cannot work, or cannot work longer hours, particularly due to disability or childcare, the taper rate cut will not make up for the cut to the Universal Credit uplift. Analysis from the Resolution Foundation indicates that when looking at the two changes together, the majority (73%) of families on Universal Credit in 2022-23 will still be worse off, with one-quarter (27%) better off.¹⁷

The result is a crisis of destitution in our communities.

While social security has been squeezed, destitution and food bank need are on the rise

Need for food banks in the UK has been steadily rising over the years. The Trussell Trust's data for April-September 2021 shows a 75% increase on the same period in 2016.¹⁸ This is despite there being very little change in the numbers of food banks in the network during this period.

Food bank need is a symptom of severe financial hardship, which can be defined as *destitution*. This captures people who cannot afford the essentials we all need to eat, stay warm and dry and keep clean. 95% of people referred to food banks meet this criteria.¹⁹

¹³ UK Poverty, JRF, 2022.

¹⁴ The shifting shape of social security, Resolution Foundation, 2019 <https://www.resolutionfoundation.org/app/uploads/2019/11/The-shifting-shape-of-social-security.pdf>.

¹⁵ A position endorsed by the [Covid Realities project](#).

¹⁶ See Lockdown, Lifelines and the Long Haul Ahead, The Trussell Trust, 2020 <https://www.trusselltrust.org/wp-content/uploads/sites/2/2020/09/the-impact-of-covid-19-on-food-banks-report.pdf> and Research showing impact of Universal Credit cut, Legatum Institute, 2021 <https://li.com/news/research-showing-impact-of-universal-credit-cut-840000-more-people-in-poverty/>.

¹⁷ Taper Cut - Analysis of the Autumn Budget changes to Universal Credit, Resolution Foundation, 2021 <https://www.resolutionfoundation.org/app/uploads/2021/11/Taper-cut.pdf>.

¹⁸ Mid Years Stats, The Trussell Trust, 2021 <https://www.trusselltrust.org/news-and-blog/latest-stats/mid-year-stats/>.

¹⁹ State of Hunger, Building the Evidence on Poverty, destitution and food insecurity in the UK, The Trussell Trust, 2021 <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>.

In line with food bank need, data suggests destitution in the UK was also rising on the eve of the pandemic. The number of households experiencing destitution at any point during the year increased by 35% between 2017 and 2019. More than a million UK households experienced destitution at some point in 2019. These households contained 2.4 million people, including 550,000 children.

Latest data suggests there has been an acceleration of need at food banks in the Trussell Trust network since the current cost of living crisis hit:

- In Jul-Sep 2021, 7% more emergency food parcels were distributed compared with the same period in 2019
- In Oct-Dec 2021, 13% more emergency food parcels were distributed compared with the same period in 2019
- December 2021 was one of the busiest ever months for food banks in the Trussell Trust network - on a par with levels of need during the height of the pandemic in 2020.

Without action to strengthen our social security system, there is a real risk that food banks and other frontline organisations will yet again be forced to plug the gaps in our social security system. But this will not be sufficient - particularly in the face of spiralling costs. And while food banks will do all they can to support people in their communities, no charity can replace the dignity of being able to buy your own food.

FINDINGS ON SOCIAL SECURITY TODAY: UNABLE TO COVER EVEN THE ESSENTIALS

Latest data from the Trussell Trust lays bare the rapidly worsening situation facing people on the lowest incomes

Against a backdrop of steadily increasing need and dwindling support from social security, the latest data from the Trussell Trust makes clear the urgency of action to strengthen our social security system before support deteriorates even further. Our analysis of this online survey with YouGov of 1,506 adults claiming Universal Credit²⁰ reveals that huge numbers of people are facing impossible decisions between falling deeper into a spiral of debt, or cutting back further on the absolute essentials.

- **Half (50%) of people are either already behind on their bills** or are facing a constant struggle to keep up with them
- **Two in five (40%) have already fallen into debt** following the Universal Credit cut last autumn
- **More than half (56%) report that they are going without at least one of the absolute essentials** we all need to keep warm, fed and clothed. That is the equivalent of over 3 million people

The data also clearly shows that people are struggling to afford essentials across the board - the real cost of living crisis for people on the lowest incomes is not a specific shock just related to energy costs.

As a result, it is not just one essential that people are cutting back on, but multiple. Our latest polling of people claiming Universal Credit in early 2022 shows that, since the start of December 2021:

- **One in three (33%) had been unable to afford adequate food:** meaning they had more than one day in the last month where they didn't eat at all, or only had one meal because they couldn't afford to buy enough food

²⁰ Survey ran between 24 January - 15 February 2022. The figures have been weighted to be representative of people claiming Universal Credit. See Appendix for more detail.

- **One in three (32%) had been unable to afford adequate clothing:** meaning they have not been able to dress appropriately for the weather in the last month because they didn't have and were unable to afford suitable shoes or clothes
- **One in three (33%) had been unable to afford to adequately heat their home:** meaning they have not been able to heat their home for more than four days across the last month because they couldn't afford to.
- Over one in three (37%) had gone without two or more of the absolute essentials: meaning people are simultaneously cutting back on a combination of clothing, heating, food, or toiletries, a reflection of the severe and deepening hardship people are experiencing.

This underlines how responding to specific essentials such as food, energy or clothing risks being a 'whack-a-mole' approach when what is needed is to tackle the sufficiency of social security across the board.

Failure to act risks driving up further the number of people needing to turn to food banks to get by. This latest data reveals that even before the latest increase in inflation, and the imminent spikes this April, an estimated 1 million Universal Credit claimants needed support from a food bank or similar charity since the start of December, 17% of all people on Universal Credit.²¹

Charities should not be expected to plug gaps in the social security system. The UK government must act to prevent further escalating hardship.

The stories behind the numbers - no more cutbacks to make

The impact of this is not just felt in people's bank accounts, it is felt in the strain on mental and physical health, and impossible decisions forced on households across the UK.

"We have cut back everything that is possible to ensure we so far haven't got into debt. There are no further cutbacks to make other than going without" - Person on Universal Credit, YouGov 2022

Households that were just about managing are teetering on a precipice - soon to be going without the essentials

People on Universal Credit are anticipating serious hardship for themselves and their families - this includes people that were previously just about getting by.

The increase in energy bills from April is a common source of anxiety for households, which for many will come on top of already rising rents and food costs.

"We currently struggle to pay all our bills but we manage, just about...I know that in April we are going to encounter huge price increases along with possibly a rent increase and I expect to have to use the food bank every week. And probably be cold and suffer. We currently set the thermostat at 17 degrees which is barely warm enough but means that our bills stay fairly low even when we have the heating on. I am utterly dreading the price rises we are going to encounter this year and I don't know how we will manage to pay all our bills each month" - Person on Universal Credit, YouGov 2022

²¹ Figures on the percent of people claiming Universal Credit who needed to visit a food bank exclude people who needed support solely because they couldn't physically access food.

People who were already unable to afford the essentials are facing particularly dire choices, facing the prospect of chronic destitution

Many people on Universal Credit were already going without the essentials before the current cost of living crisis. With inflation forecast to hit more than 7%²², these households will cut further into essential spending or take on even more debt.

The extremely low levels of financial support through the social security system have left people very exposed to the current cost of living crisis, requiring urgent action if we are to avoid growing levels of debt and destitution.

“It will have a great impact financially, will have to rely on food banks more and consider whether to put the heating on. It will affect how many times we bathe to try and save money and maybe increase the chance of borrowing to help financially” - Person on Universal Credit, YouGov 2022

Inflicting impossible decisions - such as heating or eating

The experience of going without an essential is frequently overlaid with another damaging experience - the impossible decision over which essential to go without. Particularly for households with children, we heard the pressure this can put on people impacted.

“We will have to prioritise food so will be cold in our own home and I am eating less and less to ensure my daughter has what she needs as she is only 6. I already walk to work and back everyday [be]cause I cannot afford transport” - Person on Universal Credit, YouGov 2022

Serious toll on mental and physical health

Many people are already experiencing negative mental health impacts as a result of struggling to make ends meet, and anticipate that the rising cost of living will only make this worse. References to stress, worry, pressure and struggle are common through the responses, as well as profound uncertainty about how people will cope and what the future holds. Many respondents also talked about the negative impact on existing physical health conditions. For example, having to go without heating worsening a health condition, skipping meals making managing diabetes very difficult, and worrying about the cost of running a fridge which is necessary to safely store essential medication.

“I feel sick when I notice the smart meter and have turned it around so I don't have to look at it. I have Reynaud's Syndrome which means I struggle with the cold...I am in work but limited in the hours I can work due to having a primary aged child...I am now ill from the constant stress of it all and having panic attacks” - Person on Universal Credit, YouGov 2022

A barrier to playing a full part in society

The impact of being unable to afford the essentials has a further damaging impact on the ability of people to get support, move out of destitution, increase hours or find new work. We heard from respondents who said they were unable to afford to get to work or take children to school.

The impact on housing was notable, with housing becoming unfit for habitation due to mould growing when houses went unheated. Several people mentioned being at imminent risk of homelessness.

“It would most likely make us...homeless.... We would merely be existing and not living. The stress will/does impact my mental health immensely. I work as a nurse assistant full time, my partner works in finance full time, we're just ordinary people trying to get through but all the increases are making it incredibly difficult” - Person on Universal Credit, YouGov 2022

²² At the time of writing, inflation is forecast to increase to 7.25% in April 2022, ‘Will inflation in the UK keep rising?’ Bank of England, February 2022 <https://www.bankofengland.co.uk/knowledgebank/will-inflation-in-the-uk-keep-rising>. More recent commentary suggests this might rise still further.

All of this doesn't just end up costing individuals their dignity, but costs central and local government through increased need for mental health, homelessness and social care services. Furthermore, it leaves many in such fragile financial circumstances that they are reluctant to do anything, including moving into work or higher paid work, which might upset this balance.²³

A SYSTEM THAT WORKS: STRENGTHENING SOCIAL SECURITY

The social security system, including Universal Credit, should be strong enough for all of us to rely on when we need a lifeline.

It should protect people from harm, keeping their heads above water if someone lost their job; if their income was too low or insecure to make ends meet; if they were sick or their family circumstances changed. It should protect people from needing a food bank and provide stability and security for us all.

In ending the £20 uplift and failing to use the social security system to respond to the cost of living crisis, the Chancellor is failing to learn valuable lessons from the pandemic.

With investment, Universal Credit showed it could deliver at scale and at speed for people facing severe and sudden - financial hardship.

In choosing lower levels of investment, we are left with a social security system offering increasingly inadequate support, and as a result pushing people into debt and a downward spiral in their financial resilience.

But there is time to change direction. The most urgent priority must be to avoid **yet another real terms cut in the value of social security this spring**. This should be followed by a plan to ensure we have a social security system that helps everyone to afford the essentials, not just during national crisis, but at all times for everyone who needs it.

The government must urgently prevent another real terms cut in benefits and further debt spiral by uprating in line with inflation this spring

With the cost of essentials set to dramatically rise just six months after the government removed the £20 uplift to Universal Credit, people are braced for yet another devastating real terms cut to their income.

Every April the government uprates benefits in line with the Consumer Price Index (CPI) from the previous autumn. But rising inflation means the 3.1% inflation rate last autumn will be significantly lower than the rate this spring - forecast to be 7%.

The government's annual uprating of 3.1% won't even cover half of this rise. It amounts to a £2 a week rise, which is dangerously insufficient in light of the costs people are facing.²⁴ Further, any increase will be from a record low base, with benefits already at their lowest level in 30 years before inflation is taken into account.

JRF analysis estimates that 400,000 people could be pulled into poverty by this real terms cut, with 9 million families who receive benefits being £500 worse off on average due to inflation from April.²⁵

²³ Debt to the government, deductions and destitution, The Trussell Trust, 2022 <https://www.trusselltrust.org/wp-content/uploads/sites/2/2022/02/Debt-to-government-deductions-and-destitution-qualitative-research-report.pdf>.

²⁴ Benefit payments 'too low' to keep people out of destitution as energy bills soar, The Independent, January 2022 <https://www.independent.co.uk/news/business/benefit-claimants-energy-bills-poverty-b2000017.html>.

²⁵ 400,000 people could be pulled into poverty by real-terms cut to benefits in April, JRF, February 2022 <https://www.jrf.org.uk/press/400000-people-could-be-pulled-poverty-real-terms-cut-benefits-april>.

For a median family on Universal Credit, being £500 worse off is the equivalent of at least two monthly food shops.²⁶ This is a substantial reduction which will push households into desperate territory, cutting back on multiple essentials at once - with serious risks to mental and physical health.

This dire outcome can be prevented. That is why the government must uprate benefits this spring by the forecast rate of inflation of at least 7%, not the 3.1% currently planned.

But this would only stop further backsliding - even if payments keep pace with current inflation the social security system would still need remain a long way from ensuring everyone can afford the essentials.

Social security is not just there for national crises - we need a plan from the government to ensure everyone can afford the essentials

This cost of living crisis only exposes the extent to which our social security system has been allowed to become inadequate, reducing the financial resilience of households and communities over time. A short-term response will not be sufficient.

When Universal Credit was first rolled out, its stated intention was to provide "people with the confidence and security to play a full part in society".²⁷ Instead, the design of the system means many people have no choice but to take on debt - either to cover the five week wait for the first payment, or to make up for the shortfalls in benefit levels which have reached historic lows.

The Chancellor has emphasised his commitment to 'ensuring everyone can afford the essentials'. But this cannot be achieved while people are being pushed towards food banks due to the insufficiency and debt designed into the social security system. **Now is the time for the Chancellor to deliver a plan for how to achieve this goal, working with people with lived experience** of the system. This plan should include:

Reform Universal Credit so that it acts to pull people out - not push them in - to debt and destitution

- It isn't right that almost half of people at food banks are repaying debts to the government, which can combine with wider debts to leave people unable to afford the essentials. **The five week wait and advance payments system must be reformed to prevent debt being designed into the system, alongside wider action to ensure no one at risk of destitution should have to repay unaffordable government debts.** A cross government approach to affordability assessments should bring practice at least in line with the private sector.
- This must be combined with a **recognition that the basic rates of benefits are now simply too low to protect people from destitution**, and are undermining the stated objectives of security and tackling poverty which Universal Credit was set up to achieve. The government should review the model for uprating benefits, and ensure the basic rates of benefits keep people well above the destitution threshold.

Deliver a new settlement for integrated local crisis support to empower communities to help people cover unexpected costs

- The pandemic has underlined the role that local crisis support can play in complementing the national social security system, with almost £1bn spent on supporting local authorities in England to respond to hardship during the pandemic. The pandemic showed that local authorities cannot be expected to be responsible for responding to an income crisis at scale, which was effectively mitigated through furlough and increases in benefits. But local support can be an effective

²⁶ Trussell Trust analysis of the Living Costs and Food Survey 2019/20 - Accessed through the UK Data Archive: Office for National Statistics (2021). Living Costs and Food Survey, 2019-2020. [data collection]. UK Data Service. SN: 8803, DOI: 10.5255/UKDA-SN-8803-1.

²⁷ Universal Credit: Welfare that Works, DWP, 2020

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/48897/universal-credit-full-document.pdf.

response to sudden unexpected costs such as a fridge breaking, which without support can tip people into longer-term hardship. **Long-term funding of at least £450m a year is needed for local authorities in England, building on the foundations laid during the pandemic,** and providing local authorities the certainty to plan cash-based crisis support, and coordinate with local systems and services already in place.

- Ten years on from the 2012 Welfare Reform Act, it is an opportune moment for the UK government to look at the lessons learnt in communities over the last decade, including learning from practice across all nations and regions of the UK, and **deliver a new settlement for local crisis support.** This should include a clear vision for local crisis support, with outcomes drawn up in partnership between central and local government focused on tackling destitution at points of temporary crisis, and an ambitious plan to empower local authorities to build an integrated approach to crisis support, including local welfare assistance, council tax support, and discretionary housing payments. This should support the levelling up agenda, and be focused on making the best use of investment in local support to help ensure everyone can afford the essentials.

APPENDIX: YOUNGOV SURVEY DATA

Survey ran between 24 January - 15 February 2022. The figures have been weighted to be representative of people claiming Universal Credit. All weighting data provided by the Trussell Trust from Stat-Xplore. Figures on the proportion of people falling into debt are the Trussell Trust's own analysis of data collected by YouGov.

Estimates of the number of people are the Trussell Trust's own analysis. They are calculated by taking Department for Work and Pensions data from Stat-Xplore on the number of people aged 16+ claiming Universal Credit in Great Britain in January 2022 and data from the Department for Communities in Northern Ireland in November 2021 and multiplying by the survey results. These figures do not include children.

If responses do not sum to 100% this will be due to the impact of rounding.

Q. Which ONE of the following statements best describes how well you are keeping up with your bills and credit commitments at the moment?

I am keeping up with all bills and credit commitments without any difficulty	13%
I am keeping up with all bills and credit commitments but it is a struggle from time to time	30%
I am keeping up with all bills and credit commitments but it is a constant struggle	31%
I am having real financial problems and have fallen behind with many bills or credit commitments	19%
I don't have any bills or credit commitments	2%
Don't know	3%
Prefer not to say	2%

Q. In the last month (i.e. since the start of December 2021) have you...

		Yes, I have	No, I haven't	Don't know / can't remember	Prefer not to say
Had more than one day when you didn't eat at all, or had only one meal, because you couldn't afford to buy enough food	33%	62%	3%		2%
Not been able to dress appropriately for the weather because you didn't have and were unable to afford suitable shoes or clothes	32%	63%	2%		3%
Gone without basic toiletries such as soap, shampoo, toothbrush, toothpaste or sanitary items because you couldn't afford to buy them	27%	68%	3%		2%
Not been able to afford to heat your home on more than four days across the month	33%	60%	5%		3%
Not been able to afford to light your home on more than four days across the month	12%	82%	4%		2%
Slept rough (e.g. on the streets, at a shelter etc.) for at least one night	3%	94%	2%		2%

Q. For the following question, by “food bank”, we mean organisations that are run by a charity or local community group, that provide emergency food to people in need. This does not include food parcels provided by the UK Government as part of Free School Meals.

How many times, if at all, have you or anyone in your household used a food bank, or a similar service since 1st December 2021.

Never	77%
Once	6%
Twice	5%
3-4 times	3%
More than 4 times	5%
Prefer not to say	5%

**To note that the figure reported within this report (17%) excludes those who say they needed to use a food bank solely because they couldn't physically access food.

Q. Again, thinking about your current financial situation and the impact of reducing your weekly income by £20...Which, if any, of the following actions have you needed to do in the last 4 months following the £20 per week reduction in October 2021?

Falling into debt because you couldn't keep up with essential bills (e.g. rent or utilities)

Yes	40%
No	60%

**To note that this question was initially asked to those that said they have been affected financially due to the removal of the £20 uplift to Universal Credit. Analysis by the Trussell Trust has rebased this data to be of all people claiming Universal Credit. Responses under 'No' include those that were not asked the question, those that said no to the question, and those that said don't know or prefer not to say.