



UNIVERSITY OF
LIVERPOOL

An evaluation on how the cost of living crisis has affected budgeting and debt management and how organisations around Liverpool support their clients.

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1. Acknowledgments

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2. Executive Summary

Project Background

Since late 2021, the UK has been experiencing a cost of living crisis. With real disposable incomes falling and the cost of living increasing with higher energy, food and fuel prices, millions of people around the UK are finding themselves in precarious positions in which they are struggling to make ends meet. Throughout the past year, organisations have seen a huge increase in the number of clients seeking help with the rising cost of living.

Key Research Questions/Aims

This project aims to understand the affects that the cost of living crisis has had on those in Liverpool, especially looking on how ethnicity and gender may intersect. I want to explore how different organisations within Liverpool assist and provide support to their clients.

Methodology

To understand the effects the rising cost of living has on those in Liverpool, I examined quantitative data sets that were provided to me from the following organisations: Citizens Advice Liverpool, Mary Seacole House, Torus Foundation, Your Housing Group and Liverpool City Council. Both the Brain Charity and RASA were unable to provide me with quantitative data sets and so interviews were used to compensate.

Key Findings

- **Gender:** Women are more likely to engage with organisations compared to men.
This could indicate that: 1) women are more affected by the cost of living crisis than

men or 2) women feel more inclined/comfortable in reaching out for support during times of struggle.

- **Ethnicity:** White-British were more likely to engage with organisations than ethnic minorities despite being the one of the most affected groups of the crisis. I suggest that this is down to language barriers, perceived stigma or fear.
- **Postcodes:** The cost of living crisis seemed to most affect those L4, L8 and L13 postcode. This aligns with the Indices of Multiple Deprivation report.
- **Issues Reported:** The top three most frequent issues reported were related to benefits, debt, gas and electricity.
- **Support and Services Used:** Financial comfort averaged the most common type of support offered and used. However, additional support such as assisting clients in applications, 1-1 support, and referrals played a significant role in helping clients.

Conclusions and Recommendations

- Implement more financial support sessions.
- Offer more support for mental health and wellbeing
- Engage/reach out to more clients from ethnically diverse communities.

3. Introduction

3.1. Interchange

Interchange is a charity that works alongside the University of Liverpool to offer social sciences students the opportunity to carry out a work-based learning project with different Voluntary Communities Organisations across Merseyside.

3.2. Liverpool Access to Advice Network

Liverpool Access to Advice Network (LATAN) is the outcome of a collaboration between Citizen Advice Liverpool, Liverpool City Council and the University of Liverpool. The organisation works alongside a network of advice agencies, organisations and services across Liverpool city region to deliver advice and information on a range of issues from housing and employment to debt and welfare benefits. Currently there are 151 individual staff members and volunteers from 77 advice and support organisations, with an additional 230 users from 58 other partner organisations. Due to the nature of this multi-agency organisation, LATAN works through a referral system, in which they refer clients to relevant agencies. This strategic collaboration ensures that clients' needs are met with the best possible advice and support available. In addition to providing support to those in the Liverpool region, LATAN has the power to implement change to legalisations and services by highlighting and gathering evidence relating to current issues within social policy.

3.3. Project Context

Since late 2021, the UK has been experiencing a cost of living crisis in which the fall in real disposable incomes has fallen whilst simultaneously the cost of living has soared. Due to increasing energy, fuel and food prices, alongside a high inflation rate, millions of people across the UK are finding themselves in precarious financial and living conditions in which they are cutting back on essentials and in many cases choosing whether to heat or eat. The context of the cost of living crisis will be discussed in detail later in this report in which it will explore how it unfolded and the effects it is having on the UK population, and more specifically those in the Liverpool region.

This research report is being undertaken as LATAN has seen a large increase in the number of clients seeking help with the rising cost of living since Spring 2022, especially in relation to debt and money management. The organisation feels there is a need to produce a report that highlights the issues clients are reporting and the referral/help that was provided to them in order to understand how situations of such can be more effectively managed and remedied in the future.

As LATAN works collaboratively with multiple agencies, I will be working with seven of their partners in this research project. These are:

- **Citizen Advice Liverpool (CA)** – *Liverpool's leading provider of advice and advocacy services.*
- **Mary Seacole House** – *A mental health charity for Black, Asian, Minority Ethnic Groups and Refugees.*
- **Torus Foundation** – *An affordable homes provider that aims to improve the lives of local people and build stronger communities.*
- **Your Housing Group** – *An organisation that provides homes to help people to live independently and enable people to get on and off the property ladder*
- **RASA Merseyside** – *A counselling and support service for those who have been impacted by sexual violence.*
- **The Brain Charity** – *An organisation that provides practical and emotional support to those affected by a neurological condition.*
- **Liverpool City Council (LCC)** - *The governing body for the city of Liverpool, also kindly participated in this project.*

3.4. Why I chose this organisation

When reading the different research proposals put forward to me by interchange, I was immediately drawn to this one. Social policy is a great interest of mine, but it is often the case that policies are created without considering or consolidating those who are most effected by the issues surrounding it, as seen with the cost of living crisis. LATAN actively engages with their clients individually to understand their experiences to offer them with the best support available. The cost of living crisis has dominated the nation for the past two

years but as someone who sees themselves in a rather privileged position, it is often easy to forget the real life and sometimes devastating implications of it. I was hoping before this research project began, that I would be able to produce a report that not only reviews the services provided by LATAN and the policies put in place by government, but also produce a report that begins to explore possible future solutions to help those in the most precarious positions.

3.5. Project Aims

The overall aim of this project is find out how the cost of living crisis has impacted those living in the Liverpool region by accessing how their debt and money management has been affected.

The main aims are:

- To locate Liverpool within the national cost of living crisis.
- To find out how the rising cost of living has affected debt and money management, and to see if factors such as ethnicity and gender, has exacerbated these conditions.
- To understand how different organisations assist their clients.
- To explore suggestions on how organisation can more effectively assist their clients.

4. Context

4.1. What is the cost of living crisis?

According to the Institute for Government (2023), the cost of living crisis refers to the “fall in ‘real’ disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since the late 2021”. Essentially the cost of everyday essentials (for example, fuel, energy and food) is rising faster than average household incomes.

4.2. How did the cost of living crisis unfold?

In 2020, UK authorities confirmed the first case of the coronavirus in the UK. Since then there has been a total of 2.4 million cases and 219,449 deaths (GOV.UK 2023). During this time the UK faced unprecedented times of uncertainty and worry characterised by lockdowns and strict restrictions. Covid-19 set a backdrop of political mistrust and exacerbated structural and societal inequalities across the nation. This backdrop still remains today. Not only this but the pandemic had a severe effect on the economy. Millions lost their jobs, there was a decline in economic activity, GDP (gross domestic product) dropped in the first national lockdown and the UK went into a financial recession (ONS 2022). Additionally, from 2020 onwards the UK started to experience the first repercussions of Brexit. In summary, as the UK is no longer in the EU, imported goods from Europe and producing certain goods ourselves is sufficiently more expensive. This therefore leads to higher prices for consumers. It was found that Brexit has added 6% to Britons food bills since officially leaving the EU (Gilchrist 2022). Both of these events has caused inflation to rise. This means the prices for consumer goods and essential items is adequately higher than previous years, whilst the living wage hasn't grown simultaneously with these increases. The war on Ukraine has been another main contributor on the cost of living crisis, specifically in terms of energy. Britain used to rely heavily on commodities, such as oil, from Russia. However, since cutting them off as the main supplier due to sanctions, other suppliers in Europe are increasing their prices. Overall, these three events have resulted in an environment defined by financial unease and hardship in the UK. It is with this that the cost of living crisis has developed.

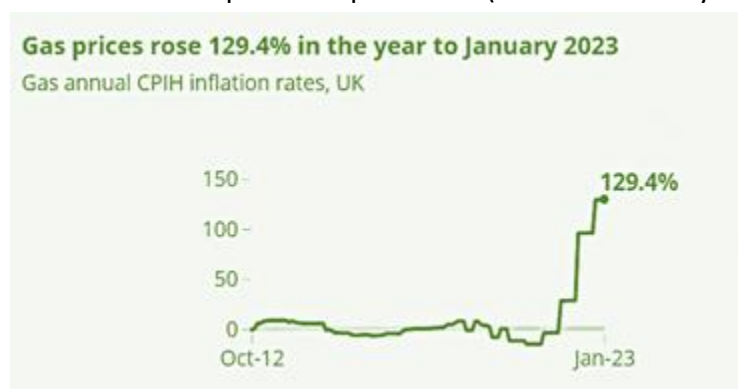
4.3. Effects of the cost of living crisis nationwide

In this section, I will discuss the effect the cost of living crisis has had the UK population on a whole and what the government has to done to support. I have identified five main areas which have been most affected by it and which will be explored:

- Energy
- Food
- Income/Work
- Housing

4.4. Energy

From January 2022/23, electricity prices have rose by 66.7% whilst gas prices have rose by 129.4% (ONS 2023). To put this into context the wholesale price of gas is currently around four times higher than it was at the start of 2021 (ONS 2022). The Office of National Statistics – (ONS) found that due to this increase, 8 in 10 adults are using less fuel to heat their homes, 48% found it difficult to pay energy bills and 49% were worried about keeping warm in their home during the winter periods (ONS 2023). As lower income households, spend a higher amount of their income on energy bills, it is more likely that they will disproportionality affected by this increase with growing concerns about many households entering fuel poverty (ONS 2022) in which household are “unable to afford to heat their home to an adequate temperature” (End Fuel Poverty Coalition n.d).



(Table 1 – ONS 2023)

Current policies to help with energy costs

In 2022, Government spent a total of £52 billion on support for energy bills and are set to spend a decreased amount of £25 billion in 2023/24 (Pope et al 2022). There are currently two main different support policies put in place by the government to help households, without eligibility testing, with their utility bills:

1. **Energy Bills Support Scheme (EBSS)**: A one-off £400 payment to help with energy bills over winter 2022-23. Those in Northern Ireland get an automatic £600 payment towards energy bills. Anyone on mean-tested benefits will receive this payment alongside their existing benefits with an additional £301 payment in spring 2023. (GOV.UK 2023)
2. **Energy Price Guarantee** – A cap on the price people pay for their energy set to last until April 2024. This means that there is a maximum price that energy suppliers can charge their consumers. Currently, under the energy price guarantee a typical household bill will be reduced to around £3,000. (GOV.UK 2023)

There is also additional support for pensioners and those with a disability.

Food

High inflation pressures have caused a massive increase in food prices. For example, it was reported that from January 2022/23, prices for food and non-alcoholic beverages rose to 16.8% (Scott 2023). Basic food items such as bread, milk and eggs have all seen an increase in price – see table two (Scott 2023). According to the Food Foundation roughly 8.8.% of UK households are currently experiencing food insecurity (Scott 2023). In 2021/22, it was reported that the Trussel Trust supplied 2.1 million emergency food parcels, a 14% increase from 2019/20 (Scott 2023). Additionally from March to September 2022 roughly 320,000 people used foodbanks for the first time, including those in full time employment such as teachers, NHS and social workers (Scott 2023). Despite inflation predicted to decline, there is growing concern that food prices will remain high and food insecurity will grow.



(Table 2 – Scott 2023)

Current policies to help with food cost

Whilst there is currently no official support policies from government, Jeremy Hunt the Chancellor of the Exchequer, stated that although food retailers set their own prices, government is working with businesses

and producers to support the availability of affordable food prices (Scott 2023).

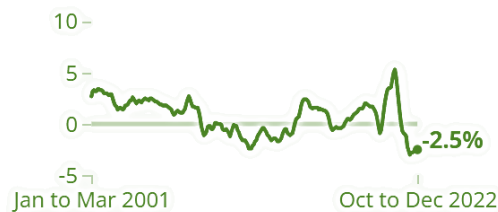
Income/work

At a time of national financial crisis and insecurity, the ONS have reported that average pay has fallen (table 3) as a result of inflation exceeding increases in nominal wages (ONS 2023). To put this into context, over the course of 2022 pay has dropped by 2.5%, the largest fall since 2001, with around 4.8 million UK workers not earning a wage that meets the actual living costs and with around 1 in 6 adults working more hours due to the cost of living increase (ONS 2023). Additionally, the UK Human Workplace Index reported that currently 84% of employees are experiencing stress and anxiety as they are concerned they will be

unable to pay expenses in the current climate (Workhuman 2023). Evidently those in lower income jobs are more likely to be affected by the rising costs of living.

After taking inflation into account, average pay has fallen

Average weekly earnings, real terms year-on-year three-month growth rates, seasonally adjusted regular pay, Great Britain



(Table 3 – ONS 2023)

Current policies to help with income

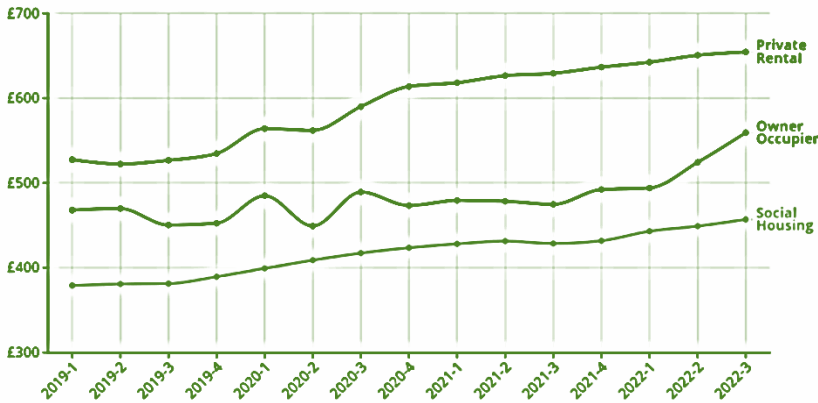
Dependent on your eligibility, there is certain support available. These are:

1. Household Support Fund: In 2021 a £500m support fund was put in place to help those in the most vulnerable positions. The fund is distributed by councils in England and is distributed accordingly and to those who need it most by voucher and where possible cash grants (GOV.UK 2021)
2. Cost of living payments: Extra payments are made to those who are entitled to certain benefits/tax credits for example, those on low income, those with a disability and pensioners (GOV.UK 2023).

Housing

Not only have housing prices increased in the past twelve months but the annual private rental price has grown by 4.9% - a record high rate (ONS 2021). This has led to many private renters finding themselves in a 'negative budget' at the end of every month (Cook 2023). It is estimated that private renters are paying 43% more on rent than those in social housing (Cook 2023). However, it is important to note that social housing and owner occupier rent has also increased during the cost of living crisis – see table 4. Whilst rent prices have increased, the quality of housing conditions is being brought to media and political attention, with more and more people living in damp and mouldy conditions (Cook 2023)

Private renters paying 43% more on rent than those in social housing.
 Mean Monthly rent cost (£) by housing tenure among debt clients.



(Table 4 – Cook 2023)

Current policies to help with housing costs

Currently there is no specific support to help renters during the cost of

living crisis. However, based on eligibility individuals may be entitled to Universal Credit (UC). As private renters are the most affected by the cost of living crisis, in terms of rent prices, it is down to their landlord if they want to provide support or leeway to their tenants.

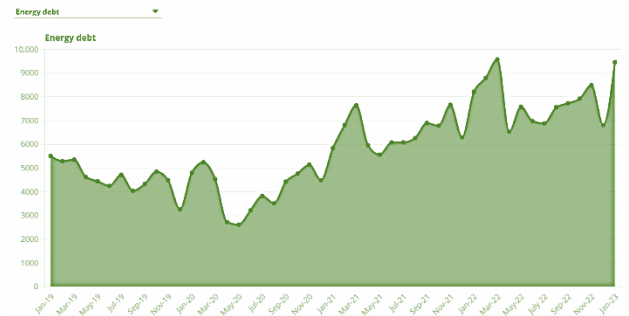
Overall effects on debt and money management

From looking at these four areas – energy, food, income and housing, it is clear that the rising cost of living is encapsulating many aspects of people’s life. Rising bills and prices are placing people in precarious positions with worry around financial difficulties intensifying. This has led to countless people struggling to make debt repayments and many others borrowing more to temporarily solve their financial circumstances. Looking at Citizen Advice (2023), the number of people they are helping with different debt issues is around 45,000 – see table 5 & 6 below. Students are also beginning to become a primary concern with the ONS recently reporting that almost a third of university students are being pushed into extra debt as their loans are failing to cover the rising cost of living (Wood 2023).

The number of people we are helping with different debt issues every month



The number of people we are helping with different debt issues every month



(Table Five & Six – Citizen Advice 2023)

This section has highlighted and put into perspective the real life implications the rising cost of living is having on the UK population. Further on this report, I will be focusing on the impact the crisis is having on those in the Liverpool regions, looking specifically on how/if gender and ethnicity may intersect with the current context.

5. Methodology

In this section of the report, I will discuss the methodology used in this research project, explaining the processes and reasoning behind the data collection and analysis as well as the ethical considerations and limitations I faced.

5.1. Data Collection

To examine the effects the rising cost of living had on those in Liverpool, I examined quantitative data sets that were provided to me from the following organisations: CAL, Mary Seacole House, Torus Foundation, Your Housing Group and LCC. Both The Brain Charity and RASA were unable to provide me with quantitative data sets and so interviews were used to compensate.

Quantitative data sets

Although the cost of living crisis started in 2021, it wasn't until 2022 that the effects of it really became seen and therefore the quantitative data sets consisted of data from the 1st of January 2022 to 31st of December 2022. I wanted data that provided me with a good insight into the effects of the rising cost of living but that also highlighted characteristics that may contribute to different experiences of it. Therefore, I composed a specific criteria of what I wanted the data sets to consist of.

I wanted the data to contain:

- Clients who come for or received help with budgeting and money management
- Average household income
- Postcodes
- Age
- Ethnicity
- Gender
- What help were they given?
- Where were they referred or signposted to?
- Were they given food / energy vouchers?

Quantitative data sets allow me to gain a large amount of data that can be generalised. On something that is as significant as the cost of living crisis, using secondary quantitative data, will enable me to establish a causation relationship (Bryman 2016) - i.e. relationship between gender and rising cost of living effects)

Qualitative data sets

As stated previously, both The Brain Charity and RASA were unable to provide me with quantitative data sets. To compensate for this I decided to conduct online interviews over Zoom (an online video communication site) with one worker from each organisation. These interviews consisted of a set of standardised open ended questions which can be seen in the appendix (Appendix A). As the cost of living crisis is a rather new phenomena, open ended question as Bryman (2016) states, enables respondents to discuss areas that they think are significant.

5.2. Data Analysis

As the data I received from the organisations were all different to varying degrees, for example some sets were more descriptive whilst others were more statistical, the data analyse process took up a considerable amount of time. For the quantitative data I analysed each set individually. To make each set easier to manage I produced smaller sets by setting categories for certain information - i.e. ethnicity, gender and postcode. I then combined this data together with the other quantitative sets. The interviews were transcribed and were content analysed to seek out any patterns/trends that occurred.

5.3. Ethical Considerations

Throughout my project I made sure to adhere to ethical guidelines. Firstly, I had to get permission from the ethics committee board that was enabling me to conduct this research project. I considered all ethical issues that may arise and managed them appropriately.

Although the participants I was working with throughout this project were put in contact with me through LATAN, and therefore had volunteered to take part in the study already, I thought it was important to gain additional consent. To do this I provided each organisation with a participant information sheet (Appendix B) which detailed the premise of the study, the purpose of it, how their data will be used, information about confidentiality and the relevant contact information. I also made clear that they had right to withdraw at any time. Participants were then asked to fill in a consent form (Appendix C). I wanted to make sure that participants were aware that consent is a continuous process rather than an permanent irreversible decision (Social Research Association 2021). As all of those taking part in my study were above eighteen they were able to consent themselves.

As I conducted a small number of interviews there was additional ethics to consider. Firstly, I decided to interview workers of the organisation instead of clients as I didn't want to inflict stress on respondent through discussing subjects that they may find personal. However, I was aware that respondents may accidentally discuss their clients personal experiences which would be a breach of confidentiality. Any data that revealed clients identity was anonymised.

The data collected throughout this project was stored on my university network drive that was password protected, which will be deleted after the research project is complete.

5.4. Limitations

Whist overall I would say that my data analyse process produced insightful data into the cost of living crisis, I would say the process was rather complex considering the amount of data and data formats I received. I feel, given more time and data analyse skills, I could've be able to produce a report that took advantage of this wide variety of data, looking at more trends such as age and income. In this sense, I do believe my data skill did hold me back. However, overall I would say that what I have produce, in the time frame given, does offer a deep insight into the cost of living crisis.

6. Findings and Discussion

This section of the report will discuss what the data revealed and how it might be explained. It will be divided into three sections: clientele categorisation, issues reported and the support/services used. Before continuing it is important to note that the data I received was different to varying degrees. Whilst some data sets provided me with figures, for example on how many people were offered a particular service, others were more descriptive, so where possible I have combined the quantitative data together in order to produce an overall image on the trends/patterns that occurred. However all data sets, both quantitative and qualitative, have provided me with valuable information that has allowed me to gain a more insightful understanding into the effects of the cost of living crisis within Liverpool.

6.1. Clientele Categorisation

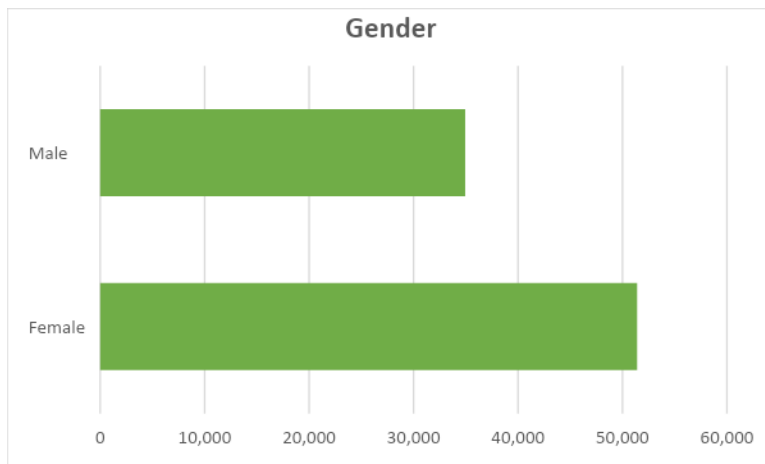
Gender

Gender, across all data sets, consistently revealed that women were more likely to engage with organisations compared to men. Data from CAL, Torus Foundation, Your Housing Group and RASA, found that around 51,000 women contacted or actively used their services compared to approximately 35,000 men (table 7). 58% of Liverpool City Council's Citizen Support Scheme (LSCC) were also female applications and additionally the Brain Charity disclosed that women were more prominent in using their service. The reasons behind this could be explained by different factors. Firstly, it has been found that the cost of living crisis is disproportionately affecting women as they are:

- 1) more likely to be on a lower income or in part-time employment compared to their male counterparts, meaning they are significantly closer to the breadline (Legal & General 2022),
- 2) the average working woman is more likely to be in debt or have notably less in their savings/investments (Engender 2022) and
- 3) women are more dependent on welfare entitlements which are not matching with the increasing inflation and cost of living (Engender 2022).

However, it could also be explained by the feminist sociological theory of the 'double burden' which traditionally proposes that women who are in work still undertake the majority of the household work compared to their male partners. From this I would suggest

that social gendered roles could explain why women feel more inclined to seek out support. It could however be argued that the gendered stereotype of men - self-sufficient and tough, means that they are less likely to engage in help seeking behaviour. Additionally, it has been found that women do tend to have a more positive attitude towards seeking professional help (Ang et al 2004). Whilst these gendered differences cannot be explained by one definite reason, it is clear that the cost of living crisis has exacerbated the existing gender inequalities which has positioned women in a more vulnerable position.



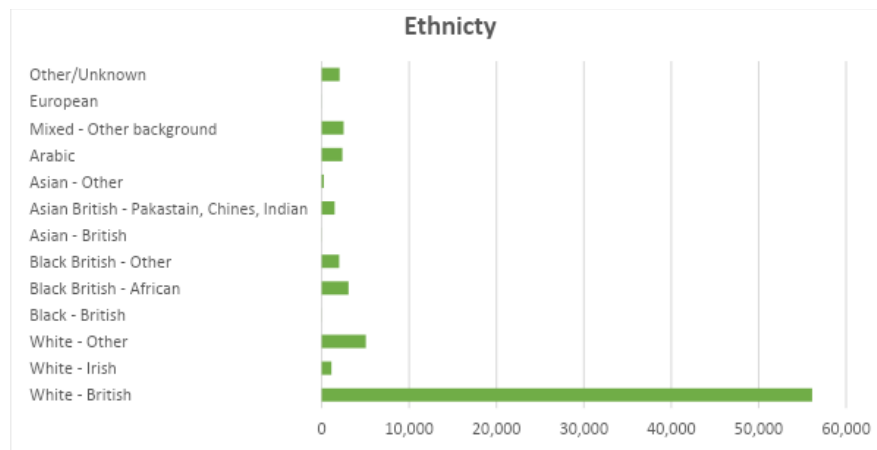
(table 7)

Ethnicity

(The Brain Charity and LCC did not enclose statistics or details regarding ethnicity and therefore will not be included in this section)

Ethnicity, like gender, remained consistent across most organisations. After the data was combined, the clients accessing services from CAL, Torus Foundation, Your Housing Group and RASA,, were predominantly White British, whilst Mary Seacole clients, an organisation who offer services to ethnic minorities, were mainly Arabic, Black African and Asian (table 8). Despite White-British people engaging in these services more, research suggests that in reality ethnic minorities are more likely to be disproportionately affected by the cost of living crisis (Racial Equality Matters 2022). Race Equality Matter reports that the crisis has intensified existing economic racial inequalities that has consequently placed ethnic minorities into a challenging financial environment (Age.UK 2021), whether that be relating to utility and electric bills, housing and rent payments or debt and money management problems. In addition mixed, black or black-British are all more likely to be a victim of sexual assault compared to white individuals (ONS 2021). Therefore, in hindsight these figures

should show a different story. However perceived stigma, language differences and structural barriers may prevent ethnic communities in reaching out for support (Age.UK 2021). In the context of Liverpool, feelings of stigma and fear may be worsened due to the city’s long history of racism.



(table 8)

Postcode

(Your Housing Group, Mary Seacole House, RASA and The Brain Charity did not enclose statistics or details regarding postcode and therefore will not be included in this section)

Indices of Multiple Deprivation (IMD) is measured by seven factors: income deprivation, employment deprivation, education, skills and training deprivation, health deprivation and disability, crime, barriers to housing and services, and lastly living environment deprivation (Liverpool City Council 2019). Liverpool, as of 2019, is the 3rd most deprived local authority area in England. It is deprived amongst all domains apart from housing and services.

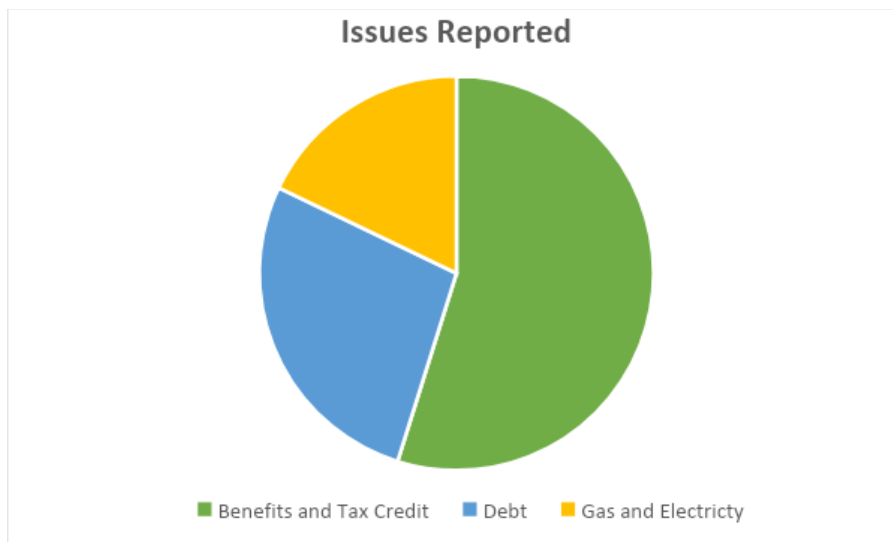
236,703 people in Liverpool are in the most deprived 10% nationally. This accounts for 48% of the city’s residents (Liverpool City Council 2019).. The most deprived areas in Liverpool are Everton, County, Anfield, Kirkdale and Kensington & Fairfield. Data from CAL, Torus Foundation and LCC allowed me to identify the top five postcodes in the Liverpool region that occurred most frequently in accessing their services. Across the different data sets L4, L8 and L13 appeared the most, however there was a high volume of cases from L6 and L23 in the LCC’s records. This aligns with the IMD’s figures, therefore suggesting that the

organisation and services are successful in reaching those who are in the most precarious positions and deprived areas.

6.2. Issues Reported

Combining both quantitative and qualitative data from all organisations together, I was able to establish the top three most common issues reported by clients. These were issues relating to; 1) benefits 2) debt and 3) gas and electricity (table 9).

However, it is important to note that organisations are predominately dealing with issues that they specialise in, for example RASA and sexual assault. However, for the purpose of this report, I will only be focusing on issues relating to the cost of living crisis.



(table 9)

Benefits

Matters relating to benefits were the most frequent issue reported by clients, primarily concerned with Universal Credit (UC), Tax Credit, Child Support and benefit overpayments. With the rising cost of living, benefits recipients are finding themselves in a position where their social security is no longer sufficiently supporting them. Whilst there are current plans to increase benefits in line with the current inflation rate, the rise in inflation has

consequently outstripped increases in benefits in 2022, therefore failing to mitigate the effects of the cost of living crisis, This has led to more people suffering from welfare issues today. To put this into context, CAL alone reported that there were 26,965 cases of benefits and tax credits issues reported and 16,317 cases of benefits and UC issues. Under the Liverpool Council Support Scheme, the Urgent Needs Award (UNA) totalled 10,265 UNA, a 12% increase from 2021 (table 10). The recorded reasons indicate that this increase is down to clients having ‘no available funds’ or having UC budgeting issues. The typical 5 week wait for UC payments to be made, means that people who rely on UC as a form of support, are forced to find other means of welfare to temporarily meet their basic needs. Interestingly the Brain Charity reported that more employed people were coming in to seek financial assistance as they were finding that their income and existing benefits wasn’t enough to support them.

Their condition often meant that there was limited work they could do, and their work often became unsuitable for their condition, therefore finding themselves in a position where they were having to weigh up their health or financial stability.

UNA	2022/23	2021/22	Difference	%
April	1,157	905	252	28%
May	1,182	779	403	52%
June	1,300	889	411	46%
July	1,013	877	136	16%
August	1,231	905	326	36%
September	1,272	939	333	35%
October	1075	1,056	19	2%
November	790	1,008	-218	-22%
December	1243	1,259	-16	-1%
January		1,772		
February		1,283		
March		1,549		
Totals	10,263	13,221	1,646	12%

(table 10)

Debt

Issues regarding debt was the second most frequently reported matter. Many people are falling into debt and arrears as they simply do not have the money to cover the cost of living. Using credit, loans or borrowing money may offer temporary financial support but it often leaves people in an uncomfortable financial position in the long term. CAL reported that 11,719 clients had debt issues. The majority of debt issues were related to arrears. This

was evident within the Torus Foundation data which showed that 120 clients obtained rent arrears and council tax arrears, 73 clients reported water bill arrears and 22 clients reported utility bills arrears. This data also revealed that the average number of debts per person was 7, with a single client having up to 37 debts. The cost of living crisis has hugely affected the renting sector, as landlords who are dealing with higher energy costs and interest rates on mortgages, which are estimated to rise again this year, are having to up their tenants payments. It is estimated that 425,000 renters are in arrears averaging around £900 (Cook et al 2023). As 26.9% of Liverpool citizens are privately renting (idcommunity, n.d), it is not surprising that rent arrears are significantly becoming a frequent issue. Council tax, whilst set by local authorities, has increased nationally. In Liverpool the total council charge is 5.1% for 2023/24. In context someone who falls into Band D (property values at £68,0001 to £88,000) will pay an additional £99 (Gov.UK 2023). Debt, under the cost of living crisis, becomes a more alarming concern as people find themselves in a vicious cycle of taking money for everyday need but not having the means to pay it off.

Gas and Electricity

Despite the government developing one off payments and other financial support to help people with their gas and electricity bills, it still remains a significant problem. CAL data revealed that 8,818 clients reported having issues relating to gas, electricity, oil and coal etc. This is especially concerning considering that 9,710 of CAL clients are aged 70-104. With older energy bills payers more likely to live in fuel poverty, the soaring costs of energy means that elders living in fuel poverty will reach a record high in the next few months. 56 clients from Torus Foundation found themselves dealing with gas and electricity debt whilst 109 clients were helped with their fuel bills by Your Housing Group. The average energy bill per year is around £2,100 per year with the government discount of £400 (based on a 'typical use' household) (Money Helper 2022). Although this has taken away some of the financial strain, from the data it would seem that this isn't doing enough.

6.3.Support/Services Used

This section will discuss the most common forms of support and services that were offered and used by clients.

Financial Comfort

Financial comfort was the most common form of support across CAL, Your Housing Group, Torus Foundation and Liverpool City Council. Financial support accounts for grants, benefit/credit gains, charitable payments, relief orders and vouchers. Your Housing Group reduced 238 tenants' rent arrears by a total of £239,998.70 and helped 155 clients with food and fuel vouchers (didn't issue vouchers) worth a total value of £7,480. Torus Foundation's most common financial support offered was in the form of utility grants which helped 24 clients. Additionally 27 more clients were helped through the Torus support fund grant and charitable grants. However, Torus Foundation's support was extensive with them also providing 8 clients with 6-month unlimited Vodaphone sim card. As phone contracts and prices are increasing with inflation, and telecommunication is the most common form to

contact organisations, and according to RASA many of their clients are unable to afford internet due to the cost of living crisis, this form of support shouldn't be overlooked in the relief it can offer. CAL assisted 1,048 clients with fuel vouchers, 206 clients with a charitable payment and 129 clients with a debt relief order. So far from April - December 2022, LCC under the UNA was able to support 10,263 citizens in helping cover for food, essential items, fuel costs etc. These figures only scratch the surface in the financial support these organisations offered their clients. But from these statistics alone we can begin to understand how crucial these organisations are in providing relief, security and comfort to those suffering the most in Liverpool.

Additional Support

Although the financial repercussions of the cost of living crisis have had devastating impacts on people's lives, the implications of the crisis have been detrimental across many factors and not just financially. Therefore additional support has played a significant role in helping and supporting clients. Additional support accounts for assisting clients in applications, 1-1 support, group support and referrals. Organisations such as RASA and The Brain Charity provide clients with an extensive support system. For example, The Brain Charity stated that the cost of living crisis has added additional stress and pressure to neurological patients who are currently in work or are looking for employment. They reported how patients often lose their confidence in themselves or find themselves in a work condition that is unsuitable for them. In this case The Brain Charity takes an active role in supporting clients by engaging them in sessions aimed to increase their confidence and solving work based issues with the employer. They also offered welfare support through helping clients apply and appeal benefits. This type of support was also common within CAL who assisted 65 clients in applying for governmental financial support schemes and 53 clients in applying for an energy trust fund. The Mary Seacole offered financial support but through the likes of money management sessions and pennywise sessions. Although immediate financial relief can help clients in the short term, the support and sessions offered by Mary Seacole enables clients to understand their financial situations, can help them budget and better manage their money which in the long term is hugely beneficial.

Conclusion and Recommendations

The rising cost of living has had devastating impacts on people's lives both financially and mentally but from these findings, it is clear that these organisations have played a fundamental role in supporting those in Liverpool with the cost of living crisis. Where the government has failed to provide substantial support, these organisations have supported, assisted and comforted thousands of clients and their work should not go unseen. However, I have identified some recommendations, for both the organisation and government, in which I believe could better the support provided:

For the organisations:

1. **Financial support sessions:** I believe that although immediate financial relief is important to relieve clients of debt, payments and costs, financial support sessions should be increased within the organisations. It was reported that one in two adults don't feel confident when managing their money day to day, and around 36% feel concerned when thinking about their financial positions. I therefore suggest that by offering financial support sessions services, such as the ones offered by Mary Seacole House, clients would feel more able to successfully manage their money, be more able to budget more efficiently and overall gain a better understanding of their financial position.
2. **Emotional and Mental Wellbeing Support:** The cost of living crisis is having detrimental effects to people's mental health and wellbeing. This I believe should be made more of a priority. Whilst I understand that funding and means are limited within the organisation, it was reported that in CAL data many clients suffered a mental health conditions. Due to the stress and upset this crisis has caused, these matters should be addressed whether in the form of counselling, 1-1/group support, or by simply offering advice or referring customers to a more suitable source of support.
3. **Clientele:** Despite the cost of living crisis disproportionately affecting ethnic minorities, it seems that across most organisations these communities are not engaging with the services and support provided. Whilst the reasons for this may not

be linked directly to the organisations itself, I believe that by implementing a more racially diverse marketing strategy, could encourage ethnic communities to feel more comfortable and confident in reaching out for support.

As funded organisations, there are limited things that can be done to mitigate the effects of the crisis. Changes need to be made on a governmental level to improve the overall situation. From my research I have conclude that the Government should:

1. Increase financial support for low income households
2. Reduce the waiting time for Universal Credit
3. Address the wider gendered and racial differences within income.

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9. Appendices

Appendix A - Interview Questions

1. Could you briefly sum up what the organisation does?

2. Prior to the cost-of-living crisis (before late 2021), what were the main reasons for people coming into the organisation?
 - a. And, including phone calls, emails and face-to-face, approximately how many clients would you speak to a week?

3. During this cost -of -living crisis have you seen any significant changes with the number of clients coming to the organisation and the type of problems they present and support they need?

4. Within the context of the cost- of-living crisis and in terms of your cliental, are there certain groups that seem to be more affected than others, or use your services more than others? i.e. gender, ethnicity, employment status etc.

5. What kind of support do you most commonly offer to your clients?

6. The rising cost of living has obviously caused great concern for businesses and organisations such as yourself, are you concerned about the funding of your organisation and how this might impact the type of services you are able to offer to your clients?

Appendix B – Participation Information Sheet

Dear all,

Thank you for agreeing to contribute towards my research project. I'm excited to be able to produce a report with such insightful data and expertise. Please take time to read the following information carefully and feel free to contact me with any questions.

Thank you,
Emily Moseley

1. What is the purpose of the study?

I have decided to undergo this study in the hope of shedding light on some of the effects the rising cost of living has had on citizens within the Liverpool council postcode. As a result of the cost-of-living crisis, the UK has seen 93% of adults reporting an increase in their cost of living between August and September 2022.

The project will specifically look at the effects of debt management and budgeting under the current financial climate, as well as analysing how factors such as race, ethnicity and gender have intertwined with the cost-of-living crisis which possibly create more unequal and precarious financial situations for some. I then hope to offer possible suggestions in ways to effectively advise those who find themselves in this position.

2. Do I have to take part?

Participation in this study is voluntary and you are free to withdraw at any time, without explanation, and without incurring a disadvantage.

3. What will happen if I take part?

To achieve the desired outcomes of my study, I have chosen two key methods that I will use throughout the study. Firstly, I will be analysing the quantitative data sets provided to me by the organisations involved. I will be investigating, comparing and managing the data to produce an insightful report on the patterns and trends that the cost-of-living crisis has had on those affected. Secondly, where organisations are unable to provide me with a quantitative data sets, online interviews will take place which will take around fifteen to thirty minutes and will capture the same data as the qualitative data sets. I will be the principal researcher, although it is possible that my academic advisor (Joseph Greener) and link worker (Cosima Doerfel Hill) may be needed at different stages of the project.

You should be made aware that the data I obtain from each participant will be kept on my university network drive that is password-protected. All data will be deleted at the end of the study (May 2023).

4. How will my data be used?

The University processes personal data as part of its research and teaching activities in accordance with the lawful basis of 'public task', and in accordance with the University's purpose of "advancing education, learning and research for the public benefit.

Under UK data protection legislation, the University acts as the Data Controller for personal data collected as part of the University's research. The Principal Investigator / Supervisor acts as the Data Processor for this study, and any queries relating to the handling of your personal data can be sent to Principal Investigator / Supervisor contact details (see below)

Further information on how your data will be used can be found in the table below

How will my data be collected?	Excel data sets and/or Interviews.
How will my data be stored?	Personal university network drive that is password protected.
How long will my data be stored for?	Until May 2023.
What measures are in place to protect the security and confidentiality of my data?	Password protected device.
Will my data be anonymised?	Organisation will be named (with consent) but clients within the organisations will remain anonymised.
Who will have access to my data?	Emily Moseley (Principal investigator) Joseph Greener (Academic Advisor) Cos (Link Worker)
Will my data be archived for use in other research projects in the future?	No.
How will my data be destroyed?	Deleted from all devices/files.

5. Are there any risks in taking part?

There are no perceived risk or disadvantages involved within this study. However, if participants do experience any then these should immediately be brought to the researcher's attention.

6. Are there any benefits in taking part?

This report will aim to highlight the effects that the cost of living has had on those in precarious financial situations, i.e. debt. This report will hopefully produce meaningful suggestions in how to improve the advice and services given to those in these positions.

7. What will happen to the results of the study?

The result of the study will be sent out and available for participants to read via email. Joesph Greener (academic advisor) and I have the right to use data from the report for academic publication, provided the Liverpool Access to Advice Network is first consulted and have no objections. Cosima Doerfel Hill, Liverpool Access to Advice Network, has the right to

use data from the report, but will not publish the full report or place it on line without the permission of Emily Moseley and / or Joseph Greener.

8. What will happen if I stop taking part?

Participants have the right to withdraw their participation in the study at any time, without explanation. If participants agree, data/results up to the point of withdrawal may be used. If not, participants may request that data/results are destroyed.

Participants can withdraw from the study by contacting the principal researcher (see contact details below)

9. What if I am unhappy or there is a problem?

If you are unhappy or if there is a problem, please contact Emily Moseley on 07429070766.

If you *are* not satisfied you should contact the Research Ethics and Integrity Office at ethics@liv.ac.uk. When contacting the Research Ethics and Integrity Office, please provide details of the name or description of the study (so that it can be identified), the researcher(s) involved, and the details of the complaint you wish to make.

The University strives to maintain the highest standards of rigour in the processing of your data. However, if you have any concerns about the way in which the University processes your personal data, it is important that you are aware of your right to lodge a complaint with the Information Commissioner's Office by calling 0303 123 1113.””

10. Who can I contact if I have further questions?

Emily Moseley

Email: hsemosel@liverpool.ac.uk

Contact details of investigatory team

Cosima Doerfel Hill (Link Worker)

Email: cosi.doerfelhill@caliverpool.org.uk

Joesph Greener (Academic Advisor)

Email: jgreener@liverpool.ac.uk

Appendix C – Consent Form

Name of participant/organisation: _____

1. I confirm that I have read and have understood the information sheet dated 17th November 2022 for the above study, or it has been read to me. I have had the opportunity to consider the information, ask questions and have had these answered satisfactorily.

2. I understand that taking part in the study means the principal investigator has access to the quantitative data sets provided and/or I will involve online interview if needed.

3. I understand that by taking part in this study I am consenting to the relevant data being shared with the parties involved in the study.

4. I understand that my participation is voluntary and that I am free to stop taking part and can withdraw from the study at any time without giving any reason and without my rights being affected. In addition, I understand that I am free to decline to answer any particular question or questions.

5. I understand that participation in this study means that whilst clients and individuals names will be anonymised, organisations names will not.

6. I understand that I can ask for access to the information I provide and I can request the destruction of that information if I wish at any time prior to January 2023. I understand that following January 2023 I will no longer be able to request access to or withdrawal of the information I provide.

7. I understand that the information I provide will be held securely and in line with data protection requirements at the University of Liverpool until it is fully anonymised (clients identity) and then deposited in the archive.
8. I understand that signed consent forms and data collected will be retained in the principal investigators university network until May 2023.
9. I agree to take part in the above study.