

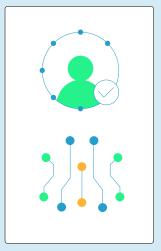
INSIGHT HUB BULLETIN #19

COST OF LIVING CRISIS DATA AND ADVOCACY













SOURCE: Data taken from Hub Survey #19 collected from 11/7/22 to 27/7/22

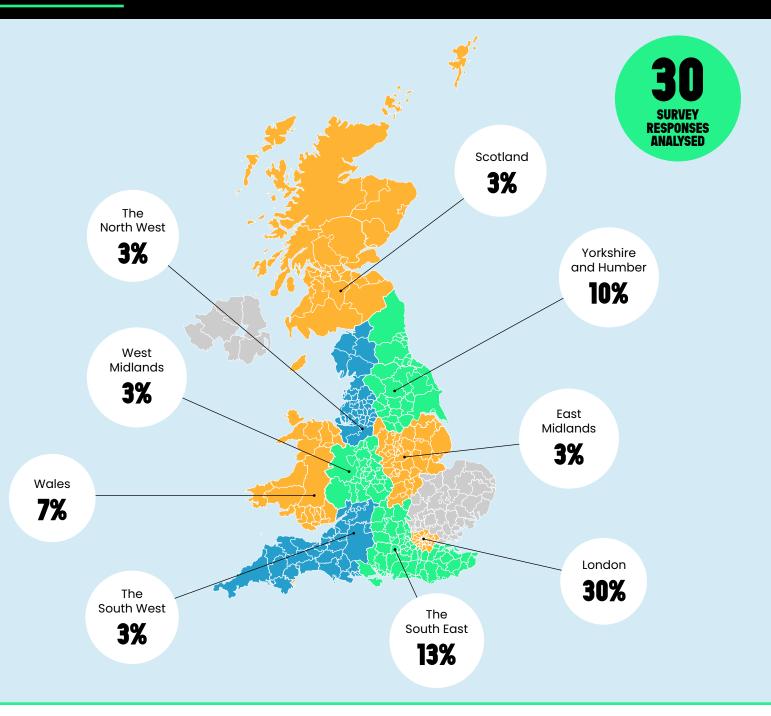
DATA DISCLAIMER PLEASE NOTE: The data in this bulletin is based on the responses from organisations who participated in the survey. The sample group is small and therefore the results shown in this report may contain bias and should be used as indicative only. Please contact the Hub team for any validation and verification required.

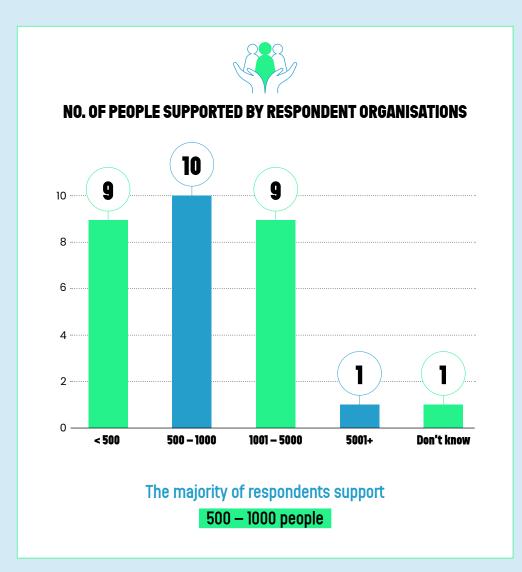
RESPONDENTS PROFILE

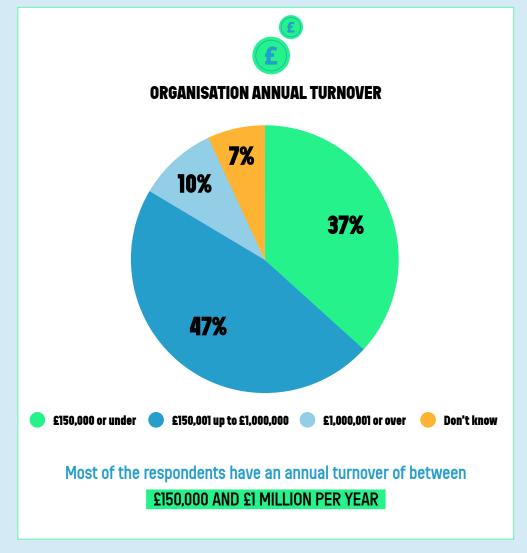
LOCATION OF RESPONDENTS SERVICES

UK-wide **17%**

England (all regions)







"[We need] increased hardship grants that are flexible and ""less restricted"" so they can be allocated more easily for different services at different times." "[We need] funders stepping in with bridging grants to top up existing funds so that salary increases, and rising office rents and utilities can be covered; then understanding that these costs will be higher over the next few months so grant applications will skew higher on these costs."

COST OF LIVING CRISIS



The vast majority of organisations are extremely concerned about the cost of living crisis and the impact on both the people they support and their staff and volunteers.

No organisation is not concerned.



97% of respondents report increased anxiety amongst staff directly related to cost of living crisis with organisations also reporting reduced volunteer time and staff being unable or resistant to return to the office due to high travel costs.

KEY MESSAGES



Organisations need more funding, flexible funding and additional support in order to provide staff with salary increases in line with cost of living, reduce office costs and be able to alter project targets/deliverables in order to meet needs of their organisation. They also need to be able to change their project aims to include support to food banks and other coping mechanisms.



Organisations are extremely concerned about the people they support especially as most are

already struggling. Il of the 30 organisations are seeing an extreme impact already and 20 out of 30 predict an extreme impact in the next 6 months. Current main coping mechanisms are increased use of food banks, reducing food intake and missing appointments to save on transportation costs.



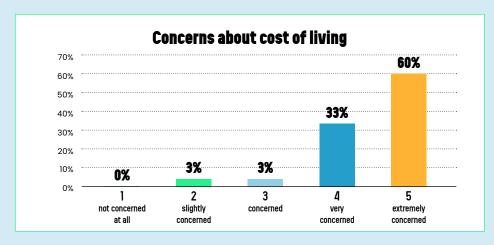
Organisations highlight the impact on different groups within the asylum system. People in hotels cannot afford to buy any extra food with their allowance and have no facilities to use the food from food banks and parcels. People living in communities face severe challenges in using their allowance to buy food and pay bills - many are seeing increased debts and resorting to food insecurity coping mechanisms.

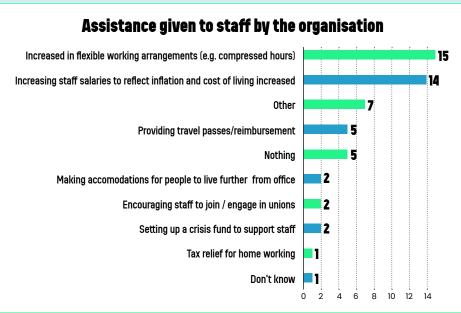
"[We need] increases in project funding so we are able to increase salaries." "[We need] flexibility of funding arrangements with flexibility of targets should we need to use more budget without increasing productivity."

"[We need] funders, especially Local Authority and Government funders, to recognise that core costs are increasing and full core cost recovery is vital for charities to survive."



ORGANISATIONAL IMPACT





- 96% of organisations are concerned about the cost of living crisis. 60% of respondents (18) are extremely concerned about the situation with a further
 33% being very concerned (10)
- 97% of respondent organisations (29) are seeing **increased anxiety among staff and volunteers related to the cost of living crisis**, with 10 organisations also reporting reduced volunteer time and 8 reporting that staff are unable or resistant to return to the office due to high travel costs. Also reported are staff resignations (6 orgs), an increase in second jobs/additional employment taken on by staff (6 orgs) and an increased use of food banks by staff (6 orgs)
 - "Staff & volunteers now claiming allowable travel expenses where previously they may have seen this as an additional charitable donation"
 - "More requests for job / role regrading"
- Organisations have been supporting their staff in various ways. Most common adjustments made include offering more flexible working arrangements (50%) and increasing staff salaries (49%)
- Other initiatives include providing travel passes, a one-off cost-of-living payment to supplement salaries (including an heating allowance for the autumn), advances on payscale awards, increase in staff mileage rate by 25%, vouchers for volunteers, and increasing fundraising to try and cover core costs
 - Some organisations have been unable to provide any support (5) as they do not have available funds, and are volunteer run/ governed by trustees
- 27% of organisations have noted that more people are attending services due to increased need/demand whilst a further 23% of organisations have not seen an impact yet



The top 5 adjustments organisations have made or are currently making

to manage the impact of the cost of living crisis



Offering new services

related to cost of living e.g. food bank, crisis fund, referrals (43%)



Reviewing staff salaries

and making cost of living adjustments (37%)



Adjusting our strategic plan (37%)



Budgeting for higher salaries in funding proposals (33%)



Contacting funders

to request increases/more flexible funding (20%)

The top 5 adjustments organisations will consider making

over the coming months to address/limit the impact of the cost of living crisis



Communicating with



Offering new services

related to cost of living (e.g. food bank, crisis fund, referrals) (40%)



Budgeting for higher salaries in funding

proposals (33%)



Adjusting our strategic plan (33%)



Reviewing staff salaries and

considering cost of living adjustments (33%)

"[We need] more innovation and partnerships with Community Interest Companies (CICs) and private sector." "[We need] Tax burden cuts that we can pass onto staff, reduction in rates and energy prices." "[We need] HMRC to review the mileage rates as they do not reflect the reality of the situation."

How could funders better support organisations to cope with the cost of living crisis?

Increase flexibility of grants to account for cost of living stressors

- Understand that funding applied for a year ago based on inflation at 2% no longer meets costs over 3 years. Even when budgets have been adjusted for inflation it's risen at a much higher rate than predicted
- Increase availability of emergency budgets to cover increases (in long-term agreements more than annual grants.)
- Look to increase funding that directly covers overheads
- Act as a "critical friend" by challenging whether something is really affordable within the proposed budget
- Revise policy and practice on acceptable levels of funded overheads (beyond the generally accepted 15%)

Provide additional / emergency funding

- Implement an approach similar to "top up covid funds" for the cost of living crisis
- Launch additional, simple to complete, bid processes for extra funds for travel / cost of living
- Increase ongoing grant awards by providing extension/ enhancement to existing grants
- Offer an increase in grants agreed in line with inflation on an annual basis – recognising that the charity indirect costs and staff salaries will increase. Also recognise that other initial project costs will rise if office costs are reduced but support is provided to clients remotely e.g. there is a need for devices and data

Engage in advocacy to address sector issues exacerbating the impact of the cost of living crisis

 Advocate for strategic and systemic change on issues including right to work, free travel etc.but support is provided to clients remotely e.g. there is a need for devices and data

Offer wider support to sector organisations

- Work with organisations to develop an effective budget that suits their narrative of support and fundamentals
- Provide support to smaller organisations who need help to apply for funding, as many organisations are too overloaded with work or decompressing from the work to make applications for further funding
- Provide funding in kind opportunities to help organisations reduce their costs

"Local Authorities should consider Business Rates for charities being 100% reduced/discounted."

"We also desperately want travel to be free for all asylum seekers, either funded by the Home Office or as a waiver by TFL."

"Different office premises to reduce our outgoings. In this way we could use some of the core funding to pay better salaries."

"Salary increases to mitigate the current, severe and deepening recruitment crisis especially when competing for recruitment with London-based organisations."



Are you doing anything to resist, organise or creatively respond to the cost of living crisis to help support other organisations or communities you work with?

22 organisations provided responses outlining their actions to support their communities and the organisations they support



Training

Provision of financial capability and financial inclusion training to help individuals and communities understand financial systems better. Providing budgeting classes, and how to find good deals for communities e.g. location of foodbank centres for the local community offered during Covid and establishing agreements with

local supermarkets.



Uninterrupted service provision

Continue with current service provision to people in the asylum system.



Reviewed and increased pay for staff

This has included

benchmarking and reviewing grade-and-pay scale to retain competitiveness, increasing salary scale by 5% at the beginning of FY (after review), planning for midyear emergency bonuses to see people through the year IF funds available, offering small crisis payments for users in destitution to see them through to when they receive benefits/ homelessness

assistance.



Hybrid services retained

to reduce user travel costs including out-of-office services (e.g. immigration in homelessness settings, outreach drop-ins in churches) to avoid travel costs for users.



Offering refunds on travel costs

and other costs
essential for
accessing to
advice/advocacy
services for users
in financial
crisis/destitution.



Active search for partners to share resources e.g

regional partnerships to reduce costs and increase capacity.



Sharing information on effective cost reduction services that are available

to communities.



Are you doing anything to resist, organise or creatively respond to the cost of living crisis to help support other organisations or communities you work with?

22 organisations provided responses outlining their actions to support their communities and the organisations they support



Ensuring communities are aware of available Government support e.g. one organisation held an online information meeting explaining the different Government payments including information on the amounts. expected dates of payment, eligibility and (where necessary)

application processes.



Planning responses with local and national partners e.g. involved with caping of living cost with Citizen UK.



Writing small bids to funders.



Continuina

connections to
communities
through other means
e.g WhatsApp
groups that
connect multiple
organisations to
encourage them to
cooperate better
to share resources,

reduce waste, and

design services

more efficiently.



Offering desk space to other charities in the spirit of partnership.



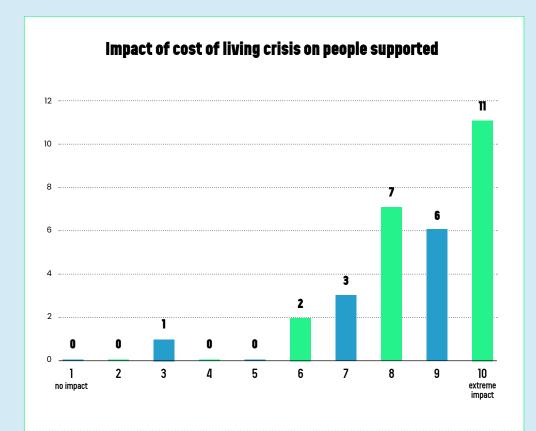
Implementing campaigns to draw attention to impact of cost of living crisis.



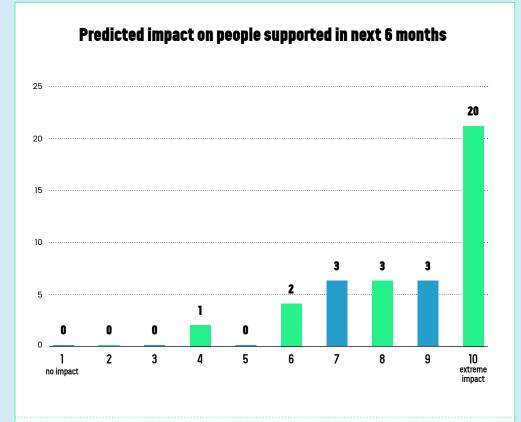
Continuing to be resilient.



IMPACT ON PEOPLE SUPPORTED



Most organisations are seeing a **very high impact of the cost of living crisis on the people they support**. It of the 30 organisations are seeing an extreme impact.



Most organisations also predict an **extreme impact on the people they support** in the next 6 months.

"They will risk debt and isolation; and homelessness and destitution."



There are huge concerns among the organisations regarding the people they support — all respondents further elaborated on the risks of more debt, poverty, and the inability of organisations to respond due to financial constraints and fears about the upcoming winter.



Universal impact

 TThe cost of living crisis is affecting all client groups from asylum seekers to refugees to working EU nationals. Food price rises and utility costs are increasing hardship for everyone



Risk of further debt

- For refugees applying for family reunion, the before, during and after
 process is financially draining and many get into extreme amounts of
 debt. This leads to people unofficially borrowing from within their own
 communities unofficially. Increased financial pressure could increase the
 use of loan sharks
- All refugees are increasingly in debt as the minimum wage has not increased, and utilities have "rocketed"
- Organisations are seeing increased anxiety amongst their communities. There are increased bailiff summons; more people are unable to pay rent and are being threatened eviction; more families will be unable to pay utility bills and will have to choose between heating and eating. There is visible strife among low-income families attending drop-in sessions



Risk of extreme poverty

- The majority of people accommodated in hotels are receiving a subsistence allowance only which is already a "destitution situation". For others, the cost of heating and rising costs of food will mean that people are pushed further and further into extreme poverty.
- Asylum support payments have never been enough to meet people's needs; and they are now significantly inadequate to afford the basics.
- Lots of people are approaching organisations about fuel bills
- Many people supported already live in poverty and destitution; this situation has only exacerbated a very difficult situation
- People supported who have health problems that incur additional expenses are finding it very difficult to meet their basic needs
- More Ukrainians are visiting foodbanks, following a pattern of asylum seekers and Afghan evacuees also coming.
- There is also an increased need for activities that help people to manage anxiety



There are huge concerns among the organisations regarding the people they support – all respondents further elaborated on the risks of more debt, poverty, and the inability of organisations to respond due to financial constraints and fears about the upcoming winter.



Organisations less able to respond

- Small financial awards that some organisations give people they support does not stretch as far with food prices increasing
- Organisation cannot respond by increasing financial awards due to increased costs for other goods / services / energy
- People who work within organisations are also struggling alongside the asylum seekers they support
- There are fears that a large impact would be the increase of housing costs in the Private Rented Sector (used for many supported people)
- Over-crowding in temporary accommodation is an ongoing issue as it is but there is currently a fresh wave of it (the last being during lockdowns)



Fears for upcoming winter

- For refugee clients and client volunteers, the cost of living is already having a huge impact and there are concerns as to how this will worsen as it becomes colder
- People supported are already struggling specifically with energy bills
- Currently most people are struggling to be able to buy food (even if means not being able to pay energy bills) and there are expectations this impact will be wider and more extreme by Dec 2022

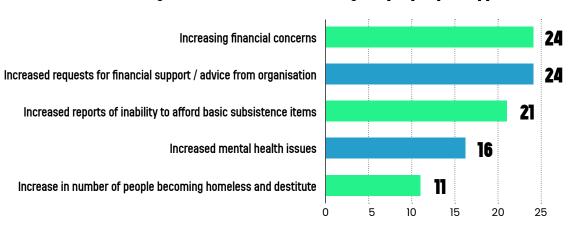


Risking residency status

 Some people are leaving the UK for periods of "squeeze" or choosing to live in hybrid mode (few months in the UK and few in homeland depending on work availability). This may prove difficult from the immigration continuity of residency point of view thus creating another potential crisis for many, let alone the general sense of belonging and being rooted somewhere that people need and seek



How is the cost of living crisis and inflation affecting the people you support?



Organisations report that they are seeing increasing numbers of people asking for more financial support and inability to afford basic subsistence items. One respondent highlighted how much dispersed asylum seekers have been hard hit specifically due to rising food prices.

How are the people you support coping with the cost of living crisis?

Organisations have highlighted the key coping mechanisms of people which are listed below. Additionally they highlighted how many people could not pay their energy bills

- Increased use of food banks (70%)
- Reducing food intake (47%)
- Missing appointments to save on transportation costs (43%)

- Reducing services accessed (23%)
- Requesting online rather than in person support (20%)

Are you seeing any informal, local level support being developed by the refugee and migrant communities you work with to address the cost of living crisis?

Only 5 organisations reported seeing informal support being developed specific to the cost of living crisis although I did highlight that there is always grassroots support available. 16 organisations stated they didn't know as a few commented that it was difficult to be specific about the cost of living crisis when many people were in poverty already.

- People are using ROSCA's (Informal lending circles - Rotating savings and credit association) and also larger informal lending networks. Even borrowing from relatives in other settlement countries such as in the EU / Asia and North America
- Food Banks are having to reduce the frequency someone can visit (e.g. now only once a month rather than every week). There are waiting lists for other food projects. Travel cost budgets are stretched
- We have seen some moves from the local council of Mosques to provide food support and increasing promotion of free meals in our local Gurdwara



What do you feel is needed to reduce the impact of the cost of living crisis on your clients?

"On a macro level - lots needed!"

"Our users have always had very poor living conditions, saved on food and any non-necessary services and leisure"

Financial Support

- Training on access to finance/ support as a standard offer from frontline service organisations (as well as cultural orientation)
- Better financial support for people from the start including a significant increase in asylum support/ NRM rates;
- Free travel (to enable NRPF clients to better access appointments would be a great start)
- Increase in minimum wages
- Increased funding for projects so we can provide transport costs, more destitution support
- Increase in the London Living Wage (even to statutory level would help)

Improve/ Adapt government systems

- Need a faster legal system
- More Government intervention on price of energy bills.
- Increase the subsistence support provided by the Home Office
- Ensure that those on asylum support are receiving the correct amount, even the currently very low rates
- The removal / easing of welfare reforms (mainly the benefit cap but also the two child limit) and increasing Local Housing Allowance rates
- Allowing reporting by phone (i.e. decreasing the number of trips people have to make for appts that do not need to be in person)

Improved information sharing with people supported and cross organisation

- Managing expectations and providing clear information on cost of rent and utilities (some people with leave to remain are not aware of imminent rise in heating bills)
- Ensure grassroots based communities and local authorities are working together to assist people in crisis as well as informing donors
- Information about the various Government support schemes should be communicated in more languages

Adapt projects/programmes to meet changing needs

- Development of food pantry type projects and increased budgeting advice
- Reduction in public transport costs
- Secure cross-sector partnerships to meet the needs of people in crisis

Liaise with funders/organisations with more funding

- Request for more funds from the donors to fund the soaring cost of living
- Persuade funders to lobby government
- Establish contacts with employers offering higher salaries for staff if funds not secured to increase wages



We are interested to know the specific impacts on different groups of people sector organisations support

(e.g. people in asylum hotels; people working as domestic workers; people who are refugees living in the community; people arriving from Ukraine etc).

Please tell us more about the experience of any specific group(s) you work with here, using case studies to describe if helpful.



Family Reunion clients

- Limited money, longer process for settlement, meaning longer separation and higher incidences of family breakdown
- Families choose to reunite with only a selection of their family, leaving some behind
- Extreme amounts of debt (Official /Unofficial)
- Link between mental health and debt is increasing exponentially



People in Asylum hotels

- These people have the least of all the people we support- it is a struggle to afford anything at all
- People in hotels on £8 per week are really struggling. The food provided continues to be inadequate/ inappropriate and so people want to get things elsewhere. £8 is not enough to do so. In hotels people do not have access to kitchens so can't access foodbanks/ food parcels
- This will also impact people's, often already deteriorating, mental health (for those in hotel and dispersal accommodation) as they will be less able to afford to access their community, friends, professional support, with even less money for transport / communication costs



People living in communities

- People in dispersal accommodation do not receive food and instead £40.85 per person per week which does not meet their basic needs many cannot afford food
- Bus fares have increased recently so more money goes on travel. Food costs are also increasing so the money does not stretch far enough to feed everyone. "The third sector is stretched and we cannot adequately support everyone who needs our help"
- Experiencing the same challenges as other wider community residents- a squeeze on household finances with no increase in wages or benefits.
- Many Refugees use pay as you go top up to monitor funds and have more expensive tariffs - now cannot afford to make calls to their families
- The main impact we have seen with this group is reduced attendance at appointments "This is made worse by the ongoing bus and train strikes.
 One client walked for 2 hours yesterday to reach us, rather than use the bulk of his crisis payment for a taxi"
- "For our volunteers, we are seeing them taking additional surplus food that we get from to help neighbours and we have increased asks from refugee clients needing food bank referrals and support with clothing and other basic needs who we didn't used to see"



We are interested to know the specific impacts on different groups of people sector organisations support

(e.g. people in asylum hotels; people working as domestic workers; people who are refugees living in the community; people arriving from Ukraine etc).

Please tell us more about the experience of any specific group(s) you work with here, using case studies to describe if helpful.



Ukrainian refugees

- Hosting arrangements break under the financial strain. In particular, the
 Family Scheme is affected as neither hosts nor arrivals get any financial
 support. There are cases of labour or financial abuse reported as family
 hosts require tangible financial help with costs of arrivals. Generally,
 homelessness applications and destitution is strongly emerging among UA
 group regardless of the scheme (but Family schemes particularly exposed)
- People from Ukraine, who should be able to integrate swiftly due to the
 rights already afforded to them and public goodwill, are struggling to find
 employment because of language barriers. From what we are seeing, no one
 is thriving
- We have heard extensive anecdotal reports of Ukrainians using local food banks despite having recourse. Refugees and others with LTR are also struggling to manage on benefits



EU nationals

- Are at risk of being priced out from PRS (Private Rented Sector)
- Overcrowding intensifies within accommodation
- Some people are choosing 'hybrid living': not having any permanent place
 in the UK (due to costs and, increasingly, immigration status) so travelling
 back and forth between work in UK (and temporary housing solutions) and
 'home' in homeland. This is likely to be difficult to solve as the cost of living
 crisis is even more pronounced in countries such as Poland and elsewhere
 in Central/ Eastern Europe. There are permanent returns as well, often driven
 purely by availability of housing in homeland

"We need this years' GLPC London pay agreement to truly recognise the cost of living crisis." "Increase the salary and pay supporting costs. These can include childcare vouchers, a company car, travel, food spending reimbursement, purchasing a bicycle through a cycle to work scheme, and additional pension contributions."

"We need to change from a volunteer led organisation model to a hybrid one - volunteers need to take on extra work or education or time to commit to a change of career, we cannot rely anymore on the same volume of volunteers or high number of unpaid hours to solve our various national crises."





"As part of our review of one of our projects and budget review, we now need to provide bus tickets for clients to attend appointments with us face to face. Previously we never provided this as this service was for clients of a refugee resettlement background who are working or receive welfare benefits but clients have raised this support need."

"Many of our beneficiaries are already excluded or find it difficult to navigate existing support systems such as welfare benefits - therefore they will likely have the same difficulties in accessing 'additional' support."

"Refugees and asylum seekers are being affected more than any group due to their lack of access and knowledge of available resources and facilities as well as their low income and inability to feed their children and themselves from the current meagre resources."

"Organisations are asking for increased support with food banks and expenses for volunteers as partners heavily rely on volunteers to implement their projects and volunteers need the expenses."

"The whole increase in living costs plays into the hands of those who are using the hostile environment to create a 'don't come here' message..." "More refugees are accessing food banks. But also immigrants on lowest income level jobs, and local residents who normally would not access a foodbank. A very hard hit group is the disabled or sick who are stuck at home (or in temporary hotel accommodation because they are homeless or in a wheelchair and the local council has no accessible housing stock) and reliant on deliveries. They will not get deliveries because that is a service that shuts down when volunteer numbers drop. Social services regularly refers urgent cases of residents with physical or mental issues without food in the expectation that our foodbanks will immediately deliver. That was possible a few months ago. Not now. This is an urgent issue to resolve."

"The vast majority of our clients who have been granted refugee status or some other protection/legal status (including as recognised survivors of trafficking) are not able to work due to the impact of past trauma on their mental and physical health. Those who do work are usually still at least somewhat reliant on mainstream welfare benefits (usually Universal Credit). This means the vast majority of our clients have to very carefully budget, and also often visit foodbanks and seek professional support, in order to manage their finances, and maximise their income if possible. Now that utility bills have skyrocketed, it is extremely difficult for people to manage these bills. People with children struggle particularly; amongst our client group, these are single parent-headed households, most likely to be affected by the benefit cap and therefore receive even less money than the payment they would receive from Universal Credit were it not for the benefit cap. They are also the most likely to have to skip meals in order that their children eat enough."

"People we work with who have leave to remain of some kind were already struggling severely with the cost of living within the limited means provided to them by the DWP, and the increased cost of living currently as well as inflation has disrupted people's careful budgeting, making the margin of error should an unexpected cost happen (e.g. having to move accommodation, breakdown of a cooker) even slimmer than it was before."



DATA AND ADVOCACY



Organisations are keen to use data to inform both their advocacy and monitoring work. Many organisations are aware of the importance of data and would like to have more capacity and time to align data gathering with strategic objectives.

KEY MESSAGES



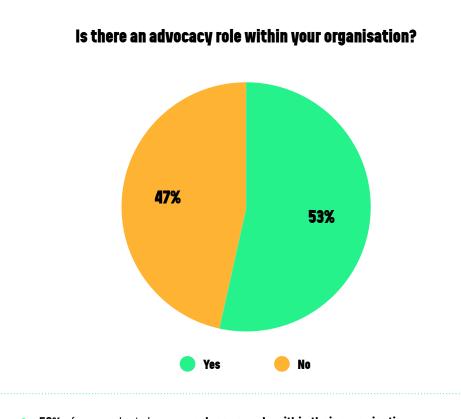
There is a desire to improve data strategies and expand monitoring, evaluation and learning approaches.

Currently data gathered is mainly used for collecting information on who uses services (87%), for funders as part of reporting (80%), for monitoring projects (73%) and for advocacy / influencing (53%).

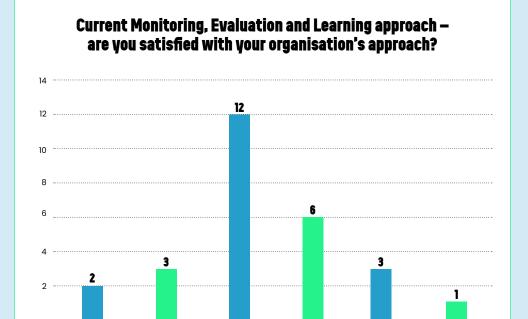


Organisations would also like support to develop their own digital design skills which places user experience at the centre of their work. The majority would be most interested in design projects that focused on wellbeing, improving induction materials, and involving experts by experience in design of service development.

ADVOCACY DATA



- 53% of respondents have an advocacy role within their organisation
- 75% of orgs gather data to some degree to inform their advocacy work although it was noted that this was at a basic level for many



8 organisations have a data strategy in place

satisfied

Organisations **have client databases**, and use mainly excel sheets to gather data

satisfied



- When asked what their main data needs/gaps were, organisations focused on wanting to have more time/ strategy in place to understand and analyse their data, wanting to put in place systems to monitor and understand the impact of their services and to create better feedback loops from data to improve their services
- Some examples include:
 - Tracking clients who have used services to understand impact
 - Understanding what to do with the data
 - How to quantify or gather data on complex issues e.g. self harming/violence risk
 - Understanding how qualitative data can be used alongside quantitative and for comparisons
 - Finding ways to flag/highlight salient bits of data within all data streams
 - Articulating data needs to external resources
 - Finding ways to use data to create and share best practice
 - Ensuring data is secure
- The main issue with the gaps was lack of capacity both from a monetary and time perspective to monitor and evaluate data and use it in a way that is strategic as well as cost of further investment

Data gathered is mainly used for collecting information on who uses our services (87%), for funders as part of reporting 80%, for monitoring our projects 73% and for advocacy / influencing 53%.

External reports and data are widely used ranging from online open source data to information published by NACCOM, Refugee Action, ASAN, Free movement, Migration Yorkshire as well local government and Home Office reports/ statistics. Less formal methods included discussions and consultations with colleagues in the sector and with the local authorities to obtain anecdotal evidence that corroborates (or not) observations/trend foresight.

Many organisations are involved in external projects with researchers and many other have annual reports required for funders showing a range in external collaboration and data use.

Nine organisations have community researchers in their team (i.e. people with lived experience of immigration conducting research and data collection).

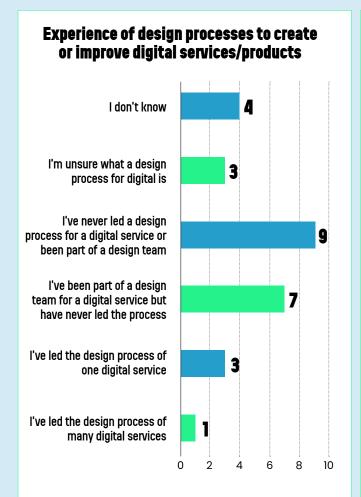
Many organisations have expressed an interest in receiving support for how to develop community research capacity.

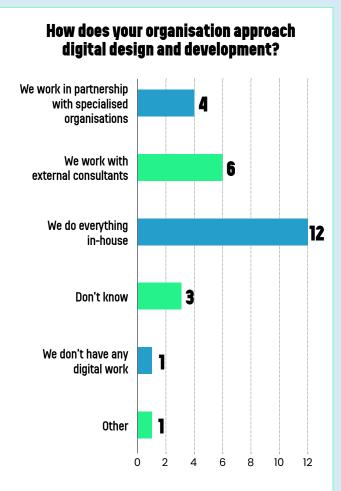


DIGITAL

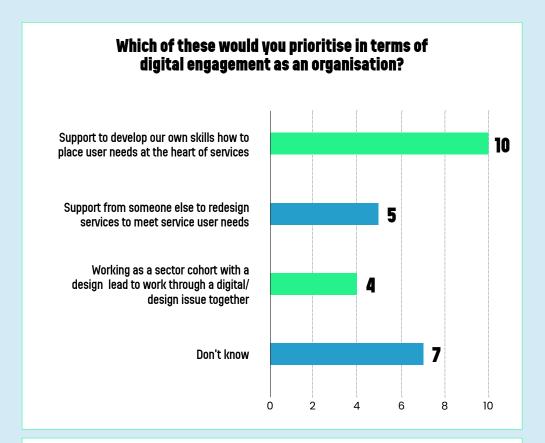


All organisations have access to a digital platform e.g. website/community platform.

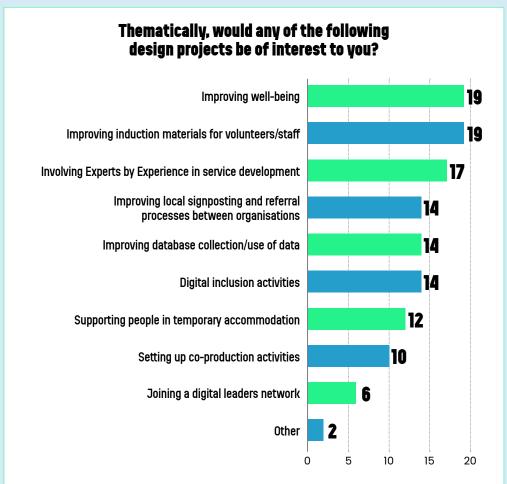




Most organisations have some but limited digital design process experience, and the majority use in-house approaches to digital design.



Organisations would also like support to develop their own digital design skills which places user experience at the centre of their work. The majority would be most interested in design projects that focused on wellbeing, improving induction materials, and involving experts by experience in design of service development.



22 organisations would be interested in being contacted by the Refugee Action Good Practice team about any future digital / design opportunities.

