Cost-of-living crisis

What we're learning through our work at Emmanuel House

It's clear from what people are telling us that the cost-of-living crisis is impacting on the lives of our beneficiaries. This is due to increasing energy bills, rising rents, no-fault evictions and escalating food costs.

WE'RE STILL SUPPORTING PEOPLE

Whatever the cost of this crisis, Emmanuel House will continue to provide support for people who need it. We work with people who are homeless, rough sleeping, in crisis and those who have no recourse to public funds. We're continuing to meet basic human needs, by providing shelter, food, warmth, hot showers, clothes, emotional support, practical advice and supporting people into accommodation and out of homelessness.

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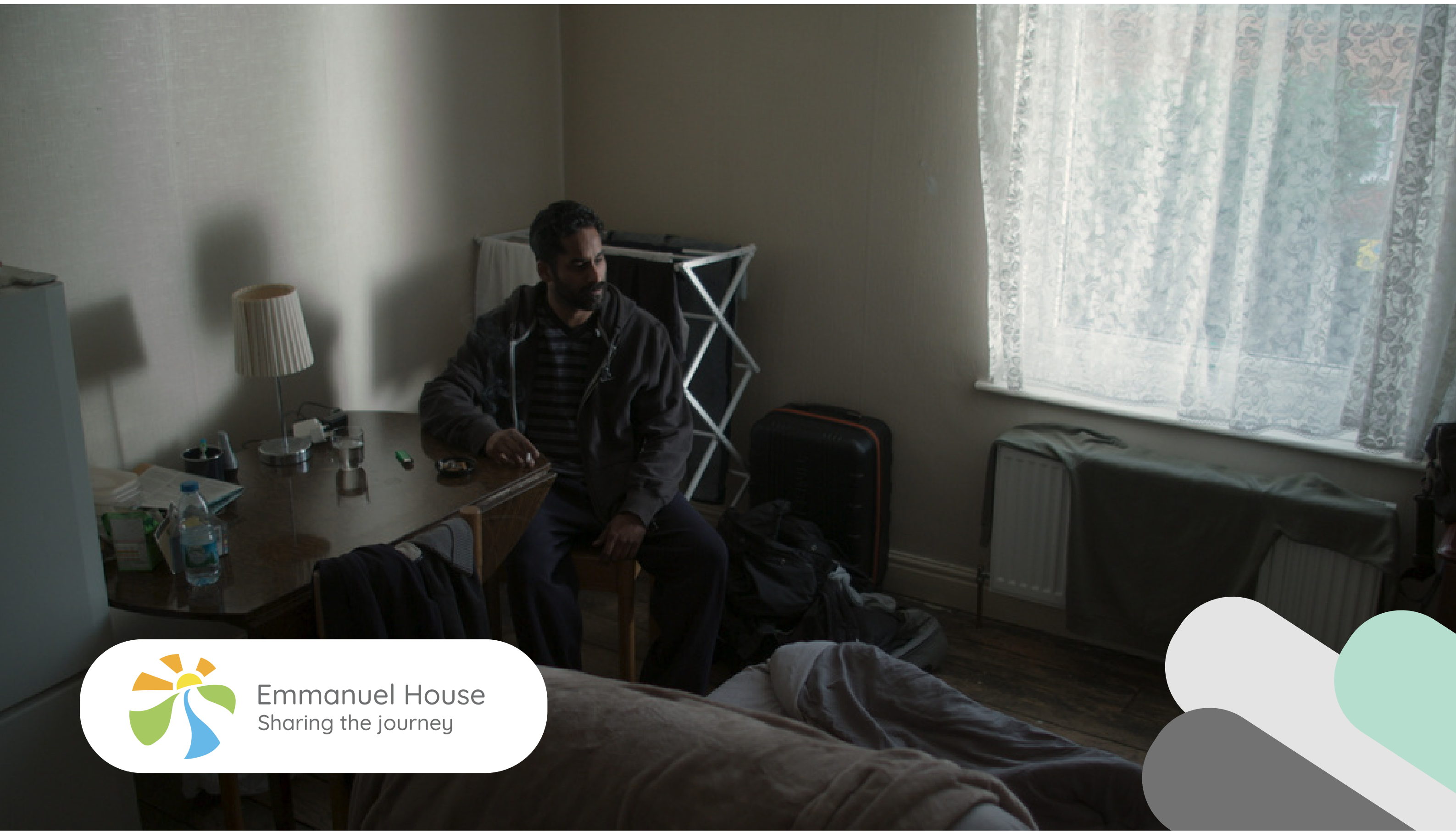
What are people experiencing?

The current cost-of-living crisis combined with existing issues such as rising rents, low wages and a lack of affordable housing have created even further setbacks for people who were already struggling.

We are also experiencing problems with a slow-moving system for social housing. In some cases, it is taking up to one year to bid for a council house. But when beneficiaries eventually get their bidding numbers, it's a relatively short period of time to get the house, causing a bottle neck in the system.

Due to this lack of social housing, more people are being forced into living in the private-rented sector, for which landlords are charging record-high rent.

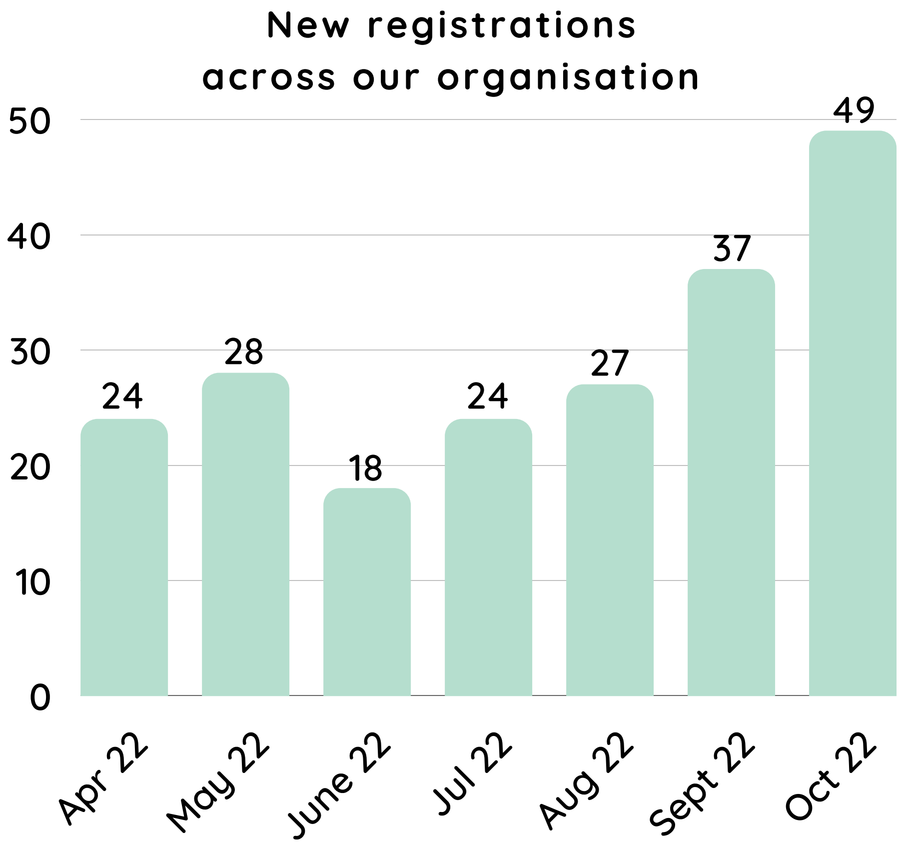
This also means that more people are coming to charities such as Emmanuel House to access advice and support.



Increase in demand

According to Charities Aid Foundation (CAF), more people are relying on charities such as Emmanuel House to survive. 71% of charity leaders are worried about managing an increase in demand on their services.

The number of people coming to Emmanuel House for the first time is increasing every month. Between April and October 2022, we have seen an increase of over 100% in new registrations to the service. We're anticipating this number to increase.



New registrations have
DOUBLED

We're also seeing an increase in costs to run our support centre, with daily running costs now up to £1500. In April 2023, we're expecting our utilities to drastically go up with the energy price increase.

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How is this impacting us at Emmanuel House?

- More food parcels are being given to people staying in emergency accommodation, such as hotels, and more food bank vouchers are being given out.

- We're serving more hot meals to people who find themselves homeless. Between 1st July 2022 and 30th Sep 2022, we served 486 meals (an increase of 46% compared to the previous quarter).

- At our Winter Shelter, we're offering short-term emergency accommodation for more people than last year. In 2021-2022, our Winter Shelter could support up to 24 people per night. In 2022-2023, we're providing three additional bed spaces per night.

- We're providing short-term emergency accommodation for women who are homeless and fleeing domestic violence.

- Families who have been forced to leave tenancies and have nowhere else to go are presenting at Emmanuel House on average 2-3 times a week. While it's important to note that Emmanuel House isn't able to provide support for families, we are able to signpost people to relevant agencies in emergency situations.

A closer look at the impact

People are having to choose between energy and food

Many of our beneficiaries can't afford to pay for both food and energy bills. Many are afraid of having to choose between them, if they haven't already made the choice. This is causing a lot of stress and anxiety. Those who are only able to pay their monthly energy bills are having to find free or subsidised food solutions from elsewhere.

'In-work poverty'

Many people are living in 'in-work poverty'. The CIPD define this as when a working person's income, after housing costs, is less than 60% of the national average and they don't earn enough to meet the cost of living, which means they are living in poverty.

Denis Tully, CEO at Emmanuel House, said: "It's not too difficult to see a scenario where people are living in the twilight zone – those who are able to pay rent and bills but can't stretch to pay for food."

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Threats of heavy debt

The reality of this is a risk of getting cut off by energy companies or getting into heavy debt. Some energy companies are automatically increasing direct debits, which is causing many people to enter into their costly overdrafts. This can lead to people having to set up payment plans or paying a lot more in the long run. This is not financially sustainable and highly stressful.

Our Tenancy Support Workers are giving a lot of advice about energy consumption and advocating for their clients, spending hours on the phone to energy providers. Many people are having problems with their energy rebates, which our support workers are having to rectify.

Many of our beneficiaries are asking our team about when those on benefits will receive the two additional payments to support with energy costs, the confusion around which is causing deep anxiety.

A lot of our beneficiaries living in private-rented tenancies will have pre-pay meters, which can often be more expensive.

Jennifer* lives in a council flat and is on the lowest rate for Universal Credit, which is £265.31 a month. Jennifer has experienced significant trauma throughout her life and struggles with her mental health, substance misuse and is a survivor of domestic abuse. Before becoming homeless at the age of 19, she had been in the care of the local authority. She was struggling to manage even before the cost-of-living crisis. She has a pre-payment electricity and gas meter, which is set at the highest rate. £15 is currently lasting only 2-3 days. Because of her financial struggles, Jennifer felt like she had no choice but to start begging. You can read her full story here.

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Rise in ‘no-fault’ evictions

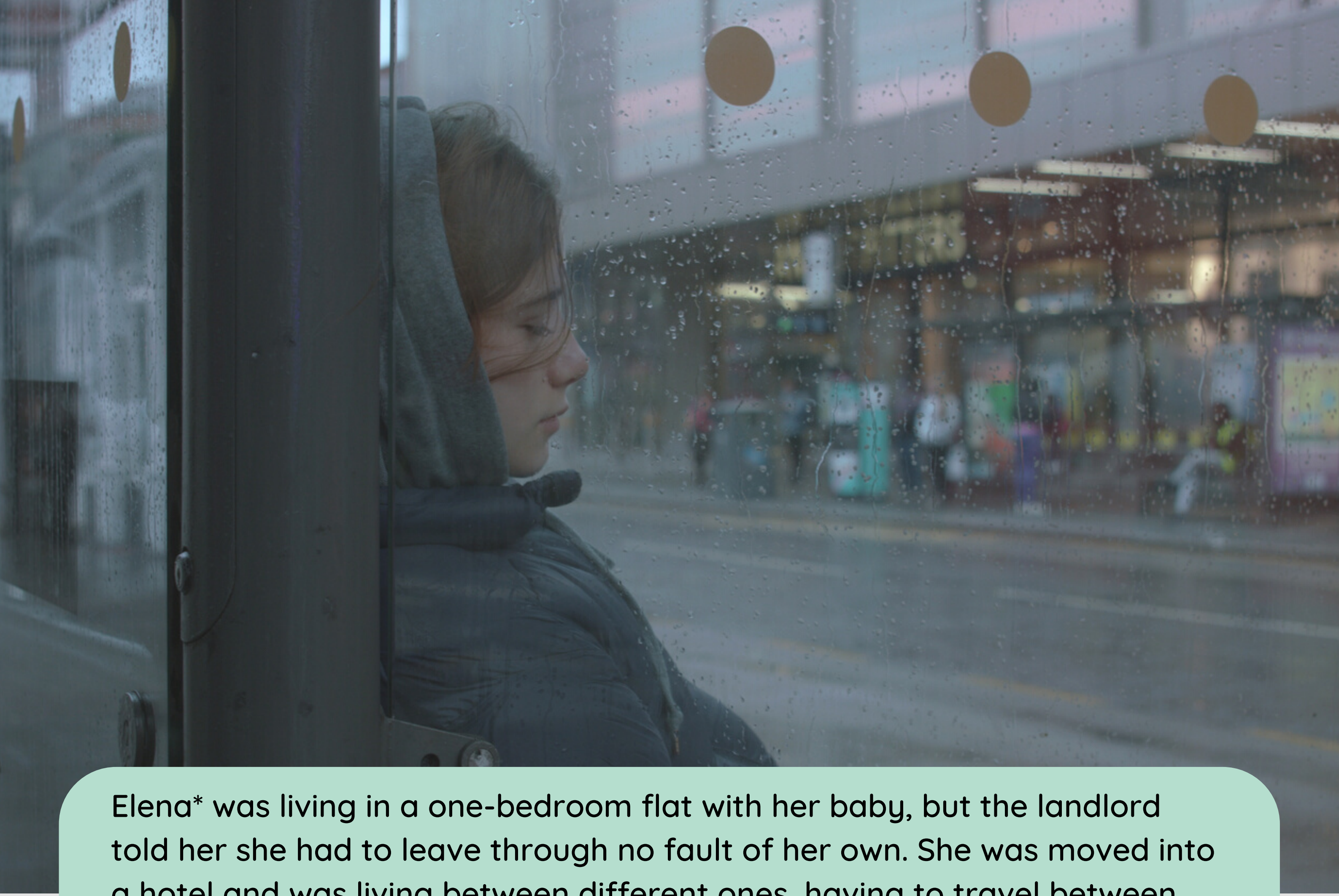
The government hasn’t reintroduced the eviction ban that protected tenants during the Covid-19 pandemic and it’s looking unlikely that it will be reinstated.

In September 2022, Government statistics showed that 19,790 households in England faced homelessness in the last financial year after receiving a no-fault eviction notice, more than doubling on the previous year.

Low-income households are in crisis. Often with nowhere else to go, they seek places like Emmanuel House or are put in emergency accommodation such as a hotel. We’re supporting parents who aren’t able to get support from social services and are relying on schools and food banks to provide food for their children.

When Lucia’s* landlord wanted to sell the house, she and her three children had nowhere else to live. Kalwant helped her to fill out the legal documents and move her possessions into storage. She is currently staying in hotels with her 3 children. She is constantly having to move between hotels around the county and still send her children to the same school. Kalwant supported her to apply for a bus pass, applied for free school uniform and liaised with the children’s school to notify them of the situation.

Lucia was working part-time but is unable to work weekends when she’s moving between hotels. If alternative accommodation in Nottingham isn’t arranged for her, she’ll lose her job. Lucia is very stressed and Kalwant is providing emotional support with empathy, patience and sheer determination, as well as working with the council to find her and her children permanent accommodation.



Elena* was living in a one-bedroom flat with her baby, but the landlord told her she had to leave through no fault of her own. She was moved into a hotel and was living between different ones, having to travel between them. Because there are no cooking facilities in hotel rooms, she was having to rely on cooking at friends' houses and ordering take-aways, which is costing more money.

She moved into a hostel for a few months, and then another one-bedroom flat. The heating is broken and the fan heater in her room is causing her and her child to become physically unwell.

She was working part-time but had to leave her job in order to look after her child when they became ill, as well as manage her own mental health.

She is having problems with her Universal Credit payments, which aren't being paid on time and Kalwant is liaising with the Department for Work and Pensions on her behalf, as English isn't her first language. Kalwant is constantly working to find her permanent accommodation and bidding for council properties.

*Names have been changed to protect identities

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Uncertainty surrounding benefits

Benefits may or may not rise with inflation. Currently, the monthly amount of Universal Credit is £334 a month (£265.31 for under 25s), but with the increase in cost of living, people will still struggle to pay for necessities such as food, toiletries, electricity, gas, petrol and public transport.

We often work with people living in supported accommodation. Statutory housing benefits are covering the rent, but their Universal Credit payments per month have to cover service charge and council tax. This means that there is rarely any money left over for food. We're providing these people with food parcels and giving out food bank vouchers.

Kalwant said: "If benefits don't rise with inflation, more people will be getting in serious arrears and debt, simply because they can't afford to pay council tax or their energy bills. I'm constantly trying to apply for the benefits that people are entitled to, so that my beneficiaries have a little bit more money to buy food."

Rising rent costs

Nottingham has seen the highest percentage rise in rent compared to anywhere else in the country, making rent unaffordable for many of our beneficiaries. Many have no choice but to be in rent arrears, which is forcing people into or returning to homelessness, having had to leave their property because they can't afford to pay their rent. Service charge at some supported accommodation is also increasing.

Paylor, our centre manager, said: "There is a discrepancy between average rent prices in Nottingham and the Local Housing Allowance (LHA), which is the highest amount someone can receive from their benefits. This means that some of our beneficiaries can't afford the average rent prices, despite receiving housing allowances.

"Our beneficiaries are being priced out of the market, a further form of discrimination."

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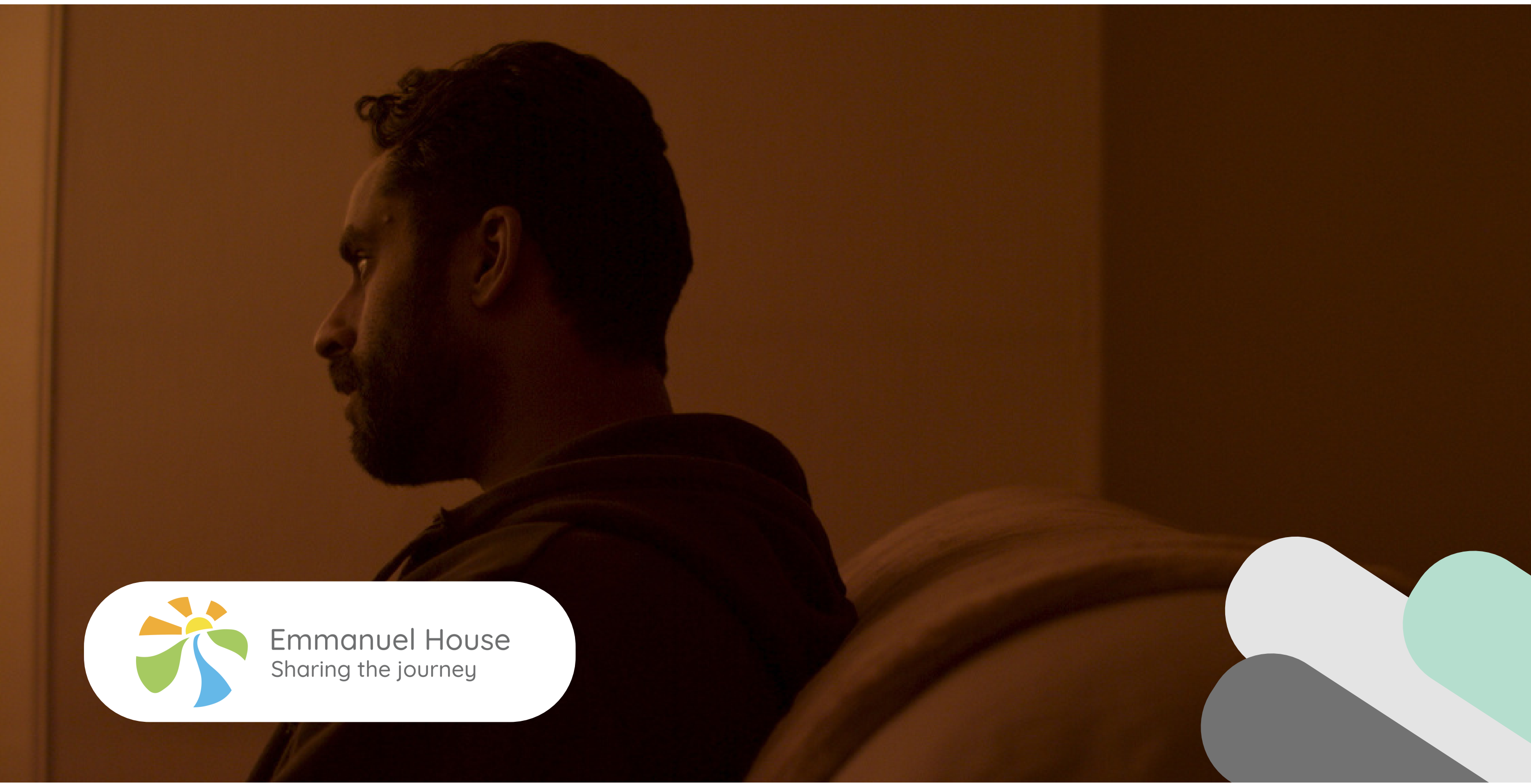
What impact is this having on our beneficiaries' wellbeing?

IMPACT ON MENTAL HEALTH

We provide mental health support for people who are struggling to manage tenancies.

For people with mental health struggles and people for whom English isn’t their first language, it can be very difficult to phone up energy companies to discuss these very complex issues. Often you can’t get through, you’re left on hold, can only speak to an automated voice and there are too many options.

As a coping mechanism, for some people, the worse the situation gets, the more they avoid tackling the issues. Because of these difficulties, there is a serious risk that some people might give up their tenancies due to stress and debt and feel like there is no option but to return to homelessness or become homeless for the first time.



How is the cost-of-living crisis affecting charities?

COST-OF-GIVING CRISIS

Research published by CAF showed that between January and April 2022, an estimated 4.9M fewer people said they donated to charity, when compared to the same months in 2019.

We're anticipating less people will be able to set up regular financial donations, we'll receive less food and clothes donations, less people will be spending money at fundraising events, which simply haven't recovered from the Covid-19 pandemic.

How can you help?

DIRECT DEBITS

If you have the means to set up a monthly donation to Emmanuel House, direct debits of any amount have a huge impact on the charity. They provide financial stability and help us predict potential shortfalls in income. Financial resilience is essential for our survival. You can set up a direct debit or make a one-off donation to Emmanuel House via our website or text WINTER to 70450 to donate £5.

REMEMBER GIFT AID

Literally every penny counts. If you're a UK tax payer and are making a financial donation, we can claim 25% of your donation back from the government. It's free money – no cost to you or to us. Just remember to tick the Gift Aid box when you're filling out our online donation form.

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How to support Emmanuel House without spending money

We recognise in these times that it's more difficult to donate financially. There are many ways people can contribute to ending homelessness without spending money.

DONATING FOOD AND CLOTHES

If you don't have the means to make a financial donation, you can support our work by donating second-hand clothes or unwanted food. Here's our list of most-needed donations.

DONATE TIME AND VOLUNTEER

If you don't have the means to donate items, you can always volunteer your time. Volunteering in our charity shop is not just about giving time, but is a way of actively bringing in a significant amount of money to the charity. The shop can make up to £150 a day. This money goes directly to the charity. Imagine volunteering at Emmanuel House and by the end of a short shift, we're £150 better off.

SPREAD THE WORD

Raising awareness of the work we are doing is hugely important to us. Talk to your friends and families, have conversations with colleagues and remember us when discussing community events with local groups.

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Thank You

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