

Cost of Living Crisis: UK and Scottish Government Support

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In March of this year, Bishop Hugh Gilbert, President of the Catholic Bishops' Conference of Scotland, the Moderator of the General Assembly of the Church of Scotland, and the Primus of the Scottish Episcopal Church released a joint statement which urged "both the Scottish and UK Governments to set aside political differences and come together in a spirit of pragmatism and compassion to seek effective solutions" to the cost-of-living crisis.

More recently, Archbishop William Nolan, Archbishop of Glasgow, called on the UK Government to give an assurance that benefits will go up in line with inflation.

The cost-of-living crisis is affecting everybody, but its most severe effects are being

experienced by the poor and marginalised. Through her Preferential Option for the Poor, the Church gives a special form of primacy to the poor and marginalised as the focus of particular concern, especially during uncertain and difficult economic times. The responsibility for this concern rests with society as a whole,

"When we attend to the needs of those in want, we give them what is not ours. More than performing works of mercy, we are paying a debt of justice."

Pope St Gregory the Great

though government has a special responsibility given its position of influence.

Overall inflation, including the cost of food, has increased significantly in recent months. Several factors have caused this increase, not least Russia's invasion of Ukraine and disruptions to supply chains caused by the pandemic.

Whilst global food prices have eased recently, it will take time for this to filter down to supermarkets and the situation in Ukraine remains volatile.

The rising cost of fuel is also a source of deep worry for people. In August, it was announced that the energy price cap would be raised by 80 per cent in October, increasing the typical household bill to around £3549 per year. A further increase was expected in January and April 2023, with average energy bills reaching as high as £6500 a year.

The energy price cap limits how much energy suppliers can charge domestic consumers on variable tariffs for their fuel. It is set by the independent regulatory authority for gas and electricity, Ofgem.

The UK Government has committed to limiting the cost of electricity and gas through the **Energy Price Guarantee** until April 2023. This will take a typical bill from £1971 per year to £2500 per year. Whilst this will still be challenging for many households it is a welcome reduction from the £3549 previously expected.

Below we set out the support currently available from the UK and Scottish Governments, including weblinks. Please note this list is not exhaustive and is subject to change. Further information is available on both government websites.

If you are worried about the cost-of-living crisis and would like more help, <u>Citizens' Advice</u>
<u>Scotland</u> offers advice and support. Please also be aware that other local advice and support services may be available in your area. For example, local charities, including many churches and faith organisations such as the Society of St Vincent de Paul, offer support via food banks and additional services for health and well-being.

The **MoneySavingExpert website** is also a useful source of information.

UK Government Support

Cost of Living Payment

A cost-of-living payment is available for those in receipt of any of the following benefits: Universal Credit, income-based Jobseekers' Allowance, income-related Employment and Support Allowance, income support, pension credit, child tax credit, working tax credit.

Those eligible may be entitled to a payment of £650, paid in two lump sums of £326 and £324, paid separately from benefits.

The cost-of-living payment will not be made if you are in receipt of New Style Employment & Support Allowance, Contributory Employment & Support Allowance, or New Style Jobseekers' Allowance, unless you get Universal Credit.

If you have a joint claim with a partner, you will receive one payment of £326 and one payment of £324 for your joint claim, if you are entitled.

Please check here for more information, including expected payment dates.

Disability Cost of Living Payment

You may receive a lump sum payment of £150 if you are in receipt of any of the following: Attendance Allowance, Constant Attendance Allowance, Disability Living Allowance for Adults, Disability Living Allowance for Children, Personal Independence Payment, Adult

Disability Payment, Child Disability Payment, Armed Forces Independent Payment, War Pension Mobility Supplement.

Please **check here** for more information.

Pensioner Cost of Living Payment

If entitled to the Winter Fuel Payment for Winter 2022/2023 you will get an extra £300 in November 2022. This is in addition to the Cost-of-Living Payment you get with your benefits or tax credits.

Please check here for more information.

Energy Bills Support Scheme

The Energy Bills Support Scheme provides a £400 non-refundable discount to eligible households to help with energy bills over the 2022/2023 winter. Around 99 per cent of households are eligible. The remaining 1 per cent will receive equivalent support.

The discount will be applied to the monthly household electricity bill for six months, starting in October 2022 (£66 in October and November, and £67 in December, January, February, March).

Prepayment meter users will get equivalent vouchers which need to be redeemed.

Scottish Government Support

Scottish Child Payment

The Scottish Child Payment of £20 per week is available for each child under 6 years and for those in receipt of certain benefits or payments.

Best Start Grant and Best Start Foods

These are payments to help towards the costs of being pregnant or looking after a child.

Scottish Welfare Fund

This fund provides grants to those age 16 or over who are on a low income or receiving certain benefits. The **Crisis Grant** helps people with unexpected emergencies such as a fire, flood or losing your job. The **Community Care Grant** helps you or someone you care for to start to live, or to carry on living, a settled life in the community.

For more information on all Scottish Government benefits, please visit here.