

YMCA

Here for young people
Here for communities
Here for you

TRAPPED IN THE COST OF LIVING CRISIS

Young people's accounts

18 months on

APRIL 2024

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SHOULD
HAVE A
FAIR CHANCE
TO DISCOVER
WHO THEY
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WHAT THEY
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YMCA

Here for young people
Here for communities
Here for you

YMCA believes in fairness and opportunity. There are essential building blocks for a full and rewarding life: a safe home; acceptance; guidance; friendship; physical and mental health; academic support; employment skills; and access to real opportunities.

Many young people have never known these things; other people have lost one or more as they grew up, but we all need them.
All of us.

At YMCA, we provide these critical foundations for a fresh, strong start for young people and a better quality of life in the community.

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YMCA is the **BIGGEST CHARITABLE PROVIDER** of homeless accommodation across England and Wales, with **9,400 BEDS** providing homes for more than **20,000 YOUNG PEOPLE** in supported housing.

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S U M M A R Y

We conducted focus groups with 131 young people and interviews with 35 staff members about how the cost of living crisis had affected young people in supported housing. Often young people arrive at a YMCA having experienced family breakdown or leaving the care system. Most residents we spoke to were aged under 25 and in receipt of Universal Credit.

THE COST OF LIVING CRISIS 18 MONTHS ON

FOOD POVERTY + INSECURITY

Residents' food shops were more expensive, and often they were getting less for their money.

With increased prices, residents were at best eating cheaper (and unhealthier) food, or at worst skipping the meals they couldn't afford.

Many residents had used food banks over the last year to get the items they needed.

RISING ENERGY PRICES + OTHER BILLS

Residents on electric meters frequently went without turning their heating on — some never doing so over the winter.

Keeping phones topped up could be a challenge as food became a priority.

UNAFFORDABLE EVERYDAY EXPENSES

Despite the bus fare caps in place, affording £4 for return journeys could limit residents' ability to be able to afford getting to appointments or seeing friends and family.

Residents could not afford essential items on top of their food, rent and bills: this could be either bigger items like winter coats or replacing shoes with holes in, or toiletries and healthcare products.

LIMITED FINANCIAL RESILIENCE AND GETTING INTO DEBT

Universal Credit seldom felt like it lasted a month, no matter how much residents budgeted.

Advanced payments and sanctions meant residents had even less each month, often leading to getting into debt or going without necessary items.

There was only so much good that budgeting could do: ultimately there was not enough money for all required outgoings.

Residents were living in survival mode, calculating how to afford getting through each day.

With only so much money to get through a month, residents could enter rent arrears. This sometimes could be seen as the easiest payment to miss compared to food.

LEANING ON FRIENDS AND FAMILY, OR FACING IT ALONE

Some residents had no one they could borrow money from if times were tough, whereas others felt ashamed to ask. For those that did, it could be a challenge to pay family or friends back.

For others, this support was integral to their ability to get through each month, either from family or partners, or amongst fellow residents to help each other through the month.

ASPIRATIONS HALTED

Saving money was impossible, curtailing residents' ability to move on into independent living.

Residents felt trapped in their situations, both in terms of lack of options for their future but also being able to afford everything they needed day-to-day.

Residents could rarely see six months into the future, as seeing through to the end of each month was as far as was possible to typically imagine.

The prospect of moving on to independent living could feel terrifying in the current economic climate.

IMPACT ON YMCAS

Energy bills rocketed as existing tariffs and fixed rates came to an end, subsidising where they could the costs to residents.

Fewer donations meant YMCAs could not provide cooking lessons or food for residents, or equip residents ahead of moving on.

In some places, there was an increase of people coming to YMCA because of the housing crisis: either through families losing homes, unaffordable rent increases or landlords selling or foreclosing properties.

THE HOUSING BENEFIT TAPER THAT KICKED IN WHEN RESIDENTS EARNED MORE THAN AROUND £450 A MONTH STIFLED MANY FROM STARTING WORK, AS THEY WOULD OFTEN BE FINANCIALLY WORSE OFF FOR DOING SO AS THEY BECAME LIABLE FOR THEIR RENT PAYMENTS.

RESIDENTS HAD HIGHER MENTAL HEALTH NEEDS IN PREVIOUS YEARS, WHICH COULD BE WORSENERD WITH FINANCIAL STRESSES.

WIDER ISSUES

THERE WERE FEW EMPLOYMENT OPPORTUNITIES AVAILABLE TO YOUNG PEOPLE, PARTICULARLY SET 16-HOUR CONTRACTS WHICH WOULD FALL BELOW THE HOUSING BENEFIT TAPER.

THESE INCREASED NEEDS AMONGST RESIDENTS HAD LED TO MORE APPLICATIONS FOR PERSONAL INDEPENDENCE PAYMENT (PIP) SUPPORT AND WORK CAPABILITY ASSESSMENTS. THIS RESULTED IN HIGHER PAYMENTS, BUT COULD REIFY RESIDENTS' NEGATIVE BELIEFS ABOUT THEMSELVES OR THEIR EVENTUAL ABILITY TO WORK.

COST OF LIVING INTERVENTIONS

£300 COST OF LIVING PAYMENTS

These were used to supplement food shops, as well as to purchase much-needed pricier items that could not be afforded on Universal Credit payments.

For some residents, the lump sum payments helped afford these without the need to budget, allowing them to use the money better for what they needed in the moment.

For others, incremental payments would have been easier to allocate to shopping and bills month-to-month.

Some residents moved into YMCA accommodation after the assessment windows for eligibility, missing out on vital income despite their need for it.

END OF PAYMENTS

Residents felt left behind by the end of the payments, as the costs they were paying at the supermarket and for energy weren't reducing.

It removed the safety net for residents who might get into financial difficulty, and unshiftable rent arrears may put them at risk of eviction.

ENERGY BILLS SUPPORT SCHEME (EBSS)

Despite initial ineligibility for the EBSS, the creation of the EBSS Alternative Funding helped some residents access funding.

In some cases, applications were unsuccessful as residents did not have utility bills in their name, and could not access this grant.

For those that did, the lump sum £400 payments did not always all go on energy bills. This was seen as a less productive way of sending money than in £60 instalments, as per EBSS.

RECOMMENDATIONS

▶ ADJUSTMENT TO THE HOUSING BENEFIT WORK TAPER

Working while living in supported housing is integral to residents' ability to earn money, but also build structure into their lives and contribute to society. The rent liabilities they face when earning more than a certain amount means residents can be financially worse off by working.

A grace period of six to twelve months when starting work would allow residents to save, and also have reduce the likeliness of financial hardship if their weekly earnings vary or the job doesn't work out.

An increased earnings allowance prior to the tapering of Housing Benefit would better fit the employment opportunities on offer.

▶ UNDER-25S IN SUPPORTED ACCOMMODATION UNIVERSAL CREDIT TOP-UP

Residents aged under 25 in supported accommodation receive 20% less in Universal Credit, despite living independently and having the same outgoings.

A top-up for residents aged under 25 to the standard rate would better reflect that younger residents are supporting themselves, and have less financial strain getting through each month.

▶ UNIVERSAL CREDIT TAPER

Starting work when in supported accommodation can be challenging for residents, especially with mental and physical health concerns, as well as some work only being seasonal or not working out for residents. As soon as they reach the earnings cap on Universal Credit, they then have a six-week re-application period if they leave work.

A grace period for Universal Credit when starting work would mean residents faced less risk when looking to enter the workplace, and provide a financial safety net.

▶ ESSENTIALS GUARANTEE

Proposed by Trussell Trust and Joseph Rowntree Foundation, the Essentials Guarantee would provide benefit claimants with a level of income that would cover all essentials, calculated at a rate of £520 for a single claimant per month.

An Essentials Guarantee would reduce the financial stresses residents face every month, as a significant increase of income.

The top-up on current Universal Credit levels could be incentivised through either rewarded for access to education, or paid out in vouchers to ensure the extra money was spent most effectively.

▶ ACCESS TO EDUCATION

Residents often arrive at supported housing with limited or no qualifications, limiting their choices of jobs — and in turn, earnings in the present and future. To return to college, residents would need to pay thousands of pounds in fees.

Free access to Level 2 and 3 courses for those in supported accommodation would help get the vital qualifications to help employment prospects.

▶ TRAVEL

Public transport was essential for residents to get to college, JobCentre appointments and to GPs and hospitals. Despite bus fare caps, this was often unaffordable given residents' other outgoings.

Travel passes would negate these costs and allow residents to go where they needed to, without having to scrimp across other areas of their life during the cost of living crisis.

INTRODUCTION

The cost of living crisis has been an inescapable term that has become commonplace in the national vocabulary over the last several years, and something felt by the majority of the population in some form: be it through price rises, shopping bills, filling up a petrol tank, renewing a mortgage or installing a smart meter to keep a better view of energy usage.

BUT FOR SOME, THE IMPACT OF THE COST OF LIVING CRISIS HAS BEEN PARTICULARLY HARSH.

As the biggest charitable provider of homeless accommodation in England and Wales, YMCA supports thousands of young people on Universal Credit and low incomes to grow into independence.

In Autumn 2022, we held a series of focus groups with residents to understand the true impact the cost of living was having not just on their everyday spending and monthly budgeting, but how it affected their ability to move out on their own.

Our *Inside the Cost of Living* report explored the food poverty and insecurity residents were experiencing, their limited financial resilience against rising bills, dependence on others (or lack thereof), the negative impact that money was having on mental health and how their aspirations had been halted.¹

Eighteen months on, we felt it was important to revisit this issue. Prices have remained high over this timeframe, and the impact of the cost of living crisis continues to impact many young people across the country. YMCA wanted to understand whether managing costs had got any easier or more challenging, and we wanted to explore further how well the support offered by the Government mitigated the hardships that residents might otherwise have faced.

For this report, we spoke to 131 residents in supported housing to hear where they have experienced the biggest impact of the cost of living crisis; the choices they have made and what they have done to afford everything they need; what they have gone without and what have been the biggest hurdles that have emerged through the cost of living crisis. We also asked how helpful government interventions were, and how it feels now the Cost of Living Payments have come to an end.

¹ YMCA England & Wales, *Inside the cost of living crisis*, 18 October 2022

METHODOLOGY

We conducted 19 focus groups at 15 YMCAs across England between 15 February and 15 March 2024, with 131 residents participating in the sessions in total. Focus groups took place in Colchester, Norwich, Cambridge, Southend, Grimsby, North Shields, Brentwood, Sutton Coldfield, Romford, Derby, Burton, Leicester, Mansfield, Goole, Lincoln, Wolverhampton and Birmingham (Aston and Erdington). Participants were provided with a £20 shopping voucher for taking part. All names of participants have been anonymised within this report.

All participants lived in supported accommodation and 125 were in receipt of Universal Credit. 109 were aged 24 and under — and as such, in receipt of lower Universal Credit payments. There were also at least 11 respondents who had arrived to the UK as unaccompanied asylum-seeking children and refugees.

AGE OF PARTICIPANTS	COUNT
16-17	13
18-20	53
21-24	43
25 and over	22

We also spoke to 32 members of staff to understand the rents or service charges that residents pay (as there is variation at each local YMCA) and what is included as part of this; as well as what impact they have seen on residents over the past few years, the most common issues they have seen as part of the cost of living crisis; their experience with financial interventions; and what changes they think would make the biggest difference to residents' wellbeing and ability to move on.

A BRIEF HISTORY

The cost of living crisis has been present in the UK for several years now. Its causes are complex, both through systemic geopolitical shifts and the result of unexpected shocks to the global economy, as well as fiscal decisions taken by subsequent governments. These include the impact of Covid-19 and global shutdowns on supply chains and the Russian invasion of Ukraine in February 2022 — the latter of which meant a shortage of energy supplies following an embargo on Russian imports and an increase in wholesale fuel prices, as well as the reduction of Ukrainian exports of cereals and grains. In the UK, the change in trade agreements post-Brexit impacted the cost and availability of food, and the Mini-Budget of Liz Truss's Government in October 2022 prompted a substantial market reaction in terms of increasing the price of national debt.

The most obvious way to track of the increase in the cost of living is in the consumer price index measure of inflation, which charts changes in prices across a range of goods and services. From the rate of inflation increasing during 2021 to a three-decade peak of 11.1% in October 2022,² it has come down from 10.4% in February 2023 to 3.4% at the latest measure in February 2024.³

The Bank of England predicts that inflation will fall to around 2.75% by the end of 2024, as fuel and food prices increase more slowly.⁴

However, this comes off the back of substantial rises in food over the last two years. In March 2023, the annual rate of inflation for food and non-alcoholic beverages was 19.2%, with the highest annual increase on record amongst bread and cereals.⁵

The slowdown in food inflation rates is a symptom of their annual measurement: they only chart changes over a 12-month period. Looking over a longer timeframe, the Office for National Statistics gauges a 25% increase in overall price of food and non-alcoholic beverages between January 2022 and January 2024.⁶ A fall in annual CPI means the rate of increase is reducing — it does not mean that all prices on shelves are falling.

For fuel prices, the Government intervened in September 2022 with an energy price guarantee to limit the amount suppliers could charge customers for a unit of gas, set to limit the amount a typical household would pay to £2,500 a year. The duration of this was reduced to last six months (rather than the initial two years) in October 2022,⁷ but was then extended a further year — but with an increase to £3,000 from July 2023 to March 2024. In total, this limited the increase in average annual direct debit dual fuel bills to 27% from October 2022.⁸ Although the energy price cap set by Ofgem has fallen over the last few financial quarters, it is predicted that the average bill as of April 2024 is around 56% higher than in summer 2021.⁹

Measures taken to control inflation have impacted prices in other ways: the Bank of England interest rate, which had been at under 1% since March 2009, rose incrementally from 0.1% as at 13 December 2021 to 5.25% as at 18 March

2024.¹⁰ These interest rates are then reflected in new or renewed mortgages for homeowners, impacting the monthly costs for those owning their own residence as well as landlords with portfolios of mortgages.

UNIVERSAL CREDIT, HOUSING BENEFIT AND PIP

The overwhelming majority of participants in this research were in receipt of Universal Credit, and for almost all, it was their only source of income. The amount that single people are entitled to differ from those in couples, and those aged under 25 receive 20% less in Universal Credit payments than those aged 25 and over. This difference has been in place since the implementation of Universal Credit in 2013, reflecting “the fact that young people generally have lower living costs and lower wage expectations”, as well as to reinforce stronger work incentives for this age group.¹¹

In the 2023–24 financial year, single claimants aged under 25 received £292.11 a month in Universal Credit payments. The focus groups for this report took place prior to the 6.7% increase to £311.68 a month in April 2024, as per the CPI rate in September 2023. Housing Benefit covers the higher rent levels that supported accommodation provides to residents, with base rent often costing between £300–450 a week.

This level of Housing Benefit reduces, however, when a resident starts working. When precisely this tapering kicks in, and how much a resident will become liable for, was something many housing workers had tried to get a clear answer from their local authority but never had.

Broadly, when a resident works more than 16 hours a week, or earns more than £400, their Housing Benefit is reduced or stops entirely. Given the high rent cost of supported accommodation, this means residents can quickly become liable for the entirety of their rent payment.

A minority of residents in the focus groups had slightly higher monthly benefit payments as they had access to PIP, or personal independent payments, which are awarded for the extra living costs of individuals with long-term physical or mental health conditions or disabilities. Some residents had been assessed by Department for Work and Pensions as having limited capability to work, and as such received additional monthly payments in their Universal Credit.

2 Office for National Statistics, *Consumer price inflation, UK: October 2022*, 16 November 2022

3 Office for National Statistics, *Consumer price inflation, UK: February 2024*, 20 March

4 Bank of England, *Monetary Policy Report — February 2024*, 1 February 2024

5 Office for National Statistics, *Consumer price inflation, UK: March 2023*, 19 April 2023

6 Office for National Statistics, *Cost of living insights: Food*, 14 February 2024

7 UK Government, *News story: Chancellor brings forward further Medium-Term Fiscal Plan measures*, 17 October 2022

8 House of Commons Library, *Research briefing: Domestic energy prices*, 1 March 2024

9 ibid

10 Bank of England, *Interest rates and Bank Rate*, 18 March 2024

11 Department for Work and Pensions, *Impact Assessment (IA): Universal Credit*, December 2012



THE COST OF LIVING CRISIS

18 MONTHS ON

YMCA first explored the impact on residents at the start of the cost of living crisis in October 2022. This report revisits this initial research, exploring changes in terms of food poverty, rising bills, debt and stalled aspirations since.

In the 2024 focus groups, residents explained the multiple ways they felt there had been a cost of living crisis: not just in the supermarkets and how they use energy, but how it limited their ability to get to appointments, or see friends and family. Their lives often felt void of anything beyond essentials, and Universal Credit payments often did not last the month. While some residents were able to borrow money, others had no one to turn to or felt shame in doing so.

FOOD POVERTY AND INSECURITY

In October 2022, residents in focus groups expressed that food was the first thing that young people cut back on when money was tight. Young people on benefits saw the rising cost of food alongside bigger bills. Making ends meet was becoming more and more impossible: most went without, many survived on foodbanks and donations, and living on cheap unhealthy food options was the standard.

Eighteen months on, and little had changed. The first thing that came to mind in all focus groups when asked how they had noticed there was a cost of living crisis was food prices at the supermarket.

MONEY NOT STRETCHING AS FAR AS IT USED TO

Residents noted that money does not go as far anymore. They see it in the overall price of a food shop, even with careful budgeting in advance. This included many who have made the switch to the cheapest own-brand products possible, but even these seemed too expensive. For some, it meant not going to the shops as often as they needed to. Others no longer bought everything they needed each month.

Residents were also limited in their ability to cost-save: residents felt unable to bulk-buy or batch-cook and freeze because storage was limited in their accommodation.

“Realistically you only get like a £30, £20 shop and you don't get much out of it either, to be honest with you. Where back in the day, before this cost of living you'd be able to get £30 worth of shopping you got like a load of shopping, but now it's shocking.

E (23), Black Country

“But sometimes it can be bad, because every time I go in, like, a couple of days before and I'll start trying to budget, I write down the prices, I go back to the shop when I get paid, and it's all gone up.

M (20), Southend

“Milk is a treat. I buy powdered milk now — it's more of an upfront cost but it lasts longer. I was out with my dad and he bought me a bottle of milk and I started crying in the middle of the post office.

A (21), Burton

“I think bulk buying because that's kind of the way to store, but then you don't have much storage. You don't have a huge fridge here either. So even like with bulk, because when I do cook, I try to cook in bulk, but it can only so much and then you have to go shop again and get fresh produce more often.

P (33), Brentwood

CHANGING EATING PATTERNS: FROM SKIPPING MEALS TO RELIANCE ON SNACKS

We revisited the question on how residents adapted to afford everything they need. Similarly to 18 months ago, some simply couldn't. Many residents said they had skipped meals over the past year as they didn't have the money to buy enough food. Some even remarked that they had lost weight as a result.

In some cases, skipping meals was learned behaviour from residents' upbringing. Going without when food couldn't be afforded was normal. For young parents, feeding their children came first, meaning they might have to go without themselves.

“Food. The last couple weeks of the month are always, like, a struggle. Pretty much just have to go without.

L (21), Lincoln

“It's crazy how we all want to gain weight as well. Like everyone's saying how everyone's so skinny, like no, we're so aware of how little we're eating, we want to eat more, we want to bulk up more... My family, as well, when I went to see them literally two days ago, they were “you've gone so skinny.” I'm like, that's what happens when you don't have food.

N (17), North Shields

“Parents are probably eating less to feed their children, for example, because I've got two children, so sometimes, as long as I know they've eating, then I'm okay, really. But just little things like that, you just have to make adjustments because you just realise that everything's going up, because the next time you go there it's probably gone up by £10, £15, £20, that's on more than one product that we're buying.

R (24), Erdington

Many residents had changed the way they shop to more basic snack food, ready meals or frozen processed food as a means to reduce their food costs, as buying items to cook a proper meal was too much of an expense with their limited income.

The cost of buying ingredients for cooking meals was either unaffordable or risked being wasteful when cooking for one. Things got particularly tight towards the end of the month, with residents scraping together what they could for a meal, but were aware it wasn't really nutritionally sufficient.

“ It's cheaper to buy scran bits than cook a meal. I can spend a tenner and get like 25 packs of biscuits. A tenner, that's not going to get me nothing for fresh food.

F (17), Goole

“ Yeah, I eat a lot of carbs. A lot of unhealthy foods just aren't...I swear, if I could look in myself right now, I used to eat really healthy, and now, like, I just feel gross. It's horrible, because I don't feel good within myself. Now, like, I feel the damage it's having on my body, you know what I mean? Like, it's just not great for me, it's just horrendous. Like, and the fact that my child's on the same diet as well makes me think like, it's just not, I don't know. I try to eat healthy, but I don't get to eat as much healthy [food] as I'd like to.

D (21), Erdington

“ It got to the point last month that I was just eating rice for dinner for a week.

N (19), Burton

FOOD BANKS

When the cost of living crisis started in 2022, many residents had turned to food banks for help. These were still a vital resource for residents, alongside donations from local businesses. However, some YMCAs commented that donations from local businesses had dried up compared to when the crisis first hit, and food banks themselves were feeding more families on limited resources.

One of the most common ways YMCA helped was providing food bank referrals and vouchers to residents, and signposting to local pantry services — where members are able to get large shops at heavily reduced prices. But for residents this didn't come without shame. This was particularly acute for residents who had been sanctioned by Universal Credit for missing appointments — often through either having work requirements when they shouldn't be in that grouping, or giving notification of missing JobCentre appointments through illness — who had to turn to food banks as they did not have enough money for their essentials.

“ Usage of food banks has increased. I would say about 75% of our residents use food banks. It was barely any a couple of years ago. We've seen over the last few years, more and more of them, that's what they're using. Generally, they'll all go together, there's groups that go together and they all mix it up with each other and cook for each other, more than the older ones they'll do that, make meals for each other with what they get.

Staff, Grimsby

“ It was horrible. I never expected myself to be in that situation, you know what I mean, like but I thought there's someone who needs it more than me, but then when I went, like, three days without eating, I was like, “No, I need to be able to get some food”.

O (20), Mansfield



RISING ENERGY PRICES AND OTHER BILLS



In October 2022, our focus groups found that residents had seen their energy costs rise significantly. In this year's research, the extent to which energy prices impacted residents depended on the charging structure of their YMCA. Some YMCAs have energy included in their set service charge or rent that residents pay, while in others residents pay for their own electricity on a meter.

Even for some YMCAs where energy costs were tied into their service charge, changes in the wholesale cost of fuel, tariffs and deals with providers ending and high national inflation meant several had no choice but to pass on costs to residents. For other YMCAs, cost increases were either limited, or subsidised as an organisation.

THE COST OF ENERGY

For those paying for their own electricity, almost — if not all — residents had not put their heating on at times over winter and many residents tried to find alternative methods to keep warm, such as electric blankets. For some, they often just went to bed to avoid feeling cold or hungry.

While turning all switches off at the main was a habit many residents practised, others changed the way they used electricity. For others, they no longer used the main light in their rooms.

“ We've had residents that have gone all winter who have never ever put that heating on. Ever. In previous winters yes, but not so much. It's definitely increased... I've been round our flats today and I've got five residents with no electric because they haven't got money for the electric. They can't stretch it. That's regular, that's bad here. We've got residents who've got mould in their flats because their flats are that cold because they can't heat them. They sit in coats, I've been in flats when I can see their breath coming out of them, that's a norm.

Staff, Wolverhampton

“ It got to the point at one point that I could literally see my breath and I refused to put my heating on, I turned on my oven instead because it's more cost-efficient. If you leave the oven door open and literally turn it on for 10 minutes it heats up the whole apartment and it only costs like 25p, compared to the heating is so much more.

D (17), Colchester

“ Electric is the worst. I live in a one-bed flat, and I'm still putting about £100 on electric every month, but I do use a lot. You used to be able to put about £50, £60 — it used to be really cheap.

D (21), Erdington

“ I don't put on the light anymore; I got a big torch and I use that for getting round my flat instead.

R (20), Burton

ADDITIONAL UTILITY COSTS

A smartphone is an essential item for a resident in supported accommodation, as they often won't have a personal computer, it will be the only way to keep in contact with the JobCentre, find work opportunities or bid for social housing.

For some this included preventing them from doing online college courses or for refugees completing English language courses. It could often feel like an easier expense to not pay when needing to afford food, but could quickly occur how necessary data plans are when left unable to contact people.

“ I don't even have to pay a phone bill because I have pay as you go. That means I can't ring anyone because I can't top up. So that means if someone wants to contact me, I have to be on Wi-Fi, either be here, college or in town, I have to be connected to Wi-Fi. Or if they want me, they just ring my number, but I can't ring them.

S (22), Grimsby

“ Sometimes data as well, like if you don't have enough, and then it's just like, your phone, if you go to college, you can't get in contact with them, and you can't even contact people, because you need data to obviously message and stuff.

D (19), Sutton Coldfield





No, because they help us to... sometimes. In six months or in one year, the charity... We take from Red Cross for six months SIM. Sometimes but not always, you know. When not, we can't, nothing we can do.

N (24), Aston

Residents at multiple YMCAs talked about the cost of laundry — either through having to pay to use machines in their building, or the cost of detergents themselves. Other go-arounds residents explained in groups were to wear pyjamas all day to save the cost of washing their clothes, or for refugees with limited clothes, washing items by hand to limit the cost of £1 washes for different coloured items.



The washing machine prices have gone up, so you're wearing clothes a few times. You do shower every day and keep yourself clean but still your clothes do start to smell.

C (24), Romford



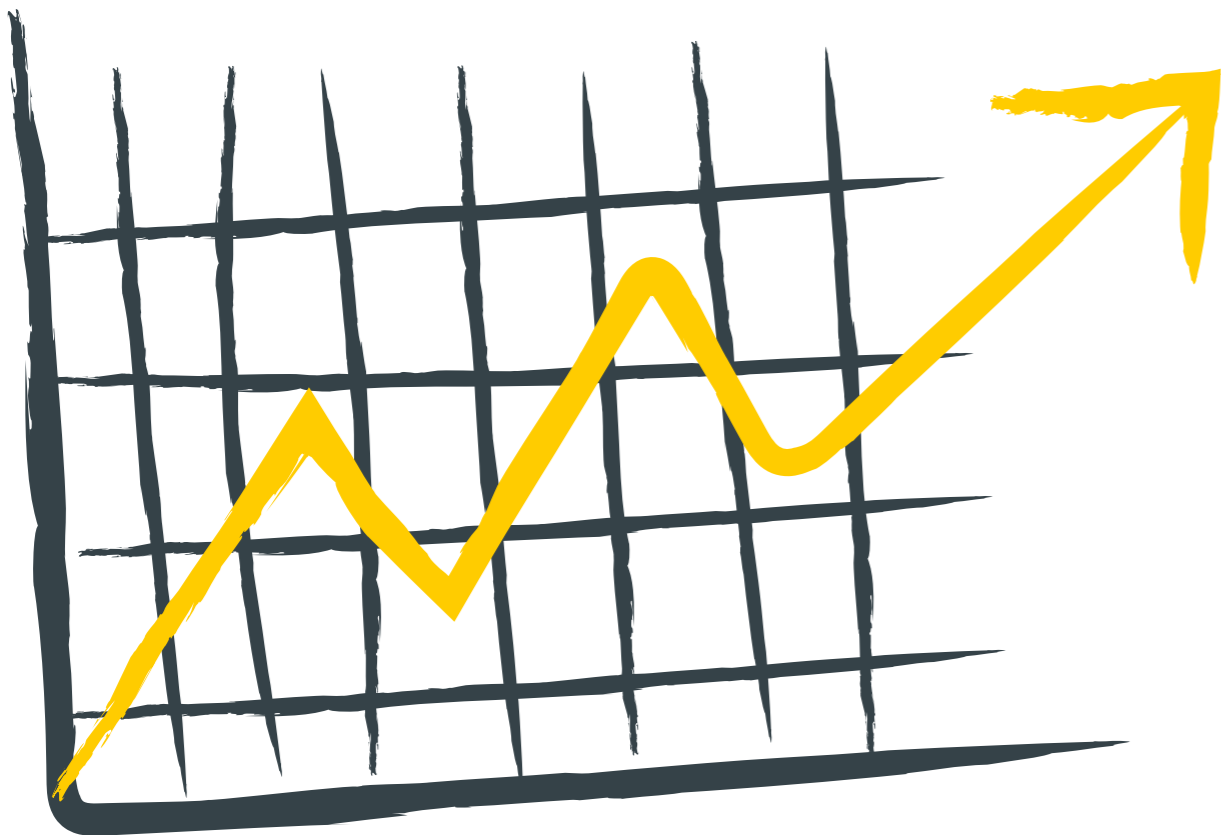
I didn't imagine getting to the point where I actually measure myself and how many laundry things I have to do. That is like, if that isn't a clear indication of how screwed we are, I don't know what is. I have to count the pods, and I have to go "right, I can wait like a week and a half to make it really stretch".

C (27), Lincoln



THE UNAFFORDABLE EVERYDAY EXPENSES

There were additional expenses that were raised in this year's research that came up more strongly than when we first investigated how residents were experiencing the cost of living crisis in October 2022. While rent, food and bills are the most pressing payments, for many residents, after these there was little wiggle room for other necessary expenses that crop up each month or throughout the year.



TRANSPORT

Residents in supported accommodation are reliant on public transport to a significant extent: many are young and do not have drivers' licences, nor the ability to afford owning a car. Some are in college or education, others need to get to JobCentre work appointments, medical appointments or to see family who may not live close by.

Many struggled to afford the capped £2 bus fare implemented by the Department for Transport in January 2023. Given the amount they are being used, tickets each way quickly added up. This is especially key when partners, family, colleges, GP appointments, JobCentres or cheaper supermarkets are not in walking distance. Train travel was a deeper cost for those needing to travel further to see family or appointments, causing either cutting down on visits or essential costs to afford fares.

“ I've got to go see my granddad at his wedding which, I don't really get much time left with my granddad, because he's getting cancer and it's spreading and all that. He gets married in November, and if I can't go down and see him, then the — last time I saw him might be the last time I will ever see him. It's also turned out that my nana's got cancer as well, which is also spreading, but I only found that out last time I went down. It's really sad, because you want to go see them as much as you can.

P (18), Goole

“ I spend most of my money on travel, sometimes I can't even get stuff in the flat and that's because I have to spend on getting to college.

N (17), North Shields

“ With the JobCentre, you'll say you need to go to this appointment or this training course or whatever, and they need travel to get there, and the job centre will say, we'll reimburse you when you've got your ticket. But they haven't got the money to have the ticket in the first place. So they don't go, and then they get sanctioned.

Staff, Wolverhampton

“ I even love trains. I'm autistic, but like, not being able to use them to go anywhere, you know, it is annoying. Especially when I have to go to appointments for my gender clinic over in Nottingham, and it's only an hour away, but it's still £45 for a ticket. That's stupid, honestly. It is an hour away.

T (21), Lincoln

For others, it was the inability to afford driving lessons. The majority of jobs in their area often required either a full driving licence, had shifts at hours when public transport wouldn't run, or were in places that would be impossible with public transport. The latter of these would risk being exacerbated for residents when moving out of YMCA accommodation: in some areas of the country, the majority of social homes on offer were outside of city centres, and would likely require residents to drive to be able to live and work there.

“ Trying to learn to drive on Universal Credit is virtually impossible. If you were trying to be consistent with having a driving lesson a week, that's £30 a week and when you're earning £280 a month, you're already spending £120 on driving lessons. When you're already paying £90 on council tax, bills, you're already £200 for just two items in your life, then you still need to get food.

Staff, Colchester

ESSENTIAL ITEMS

Focus groups found that many residents needed essential items such as clothes and shoes, which were damaged and had holes in, but were not able to afford new items. This extended to items such as toiletries and basic haircuts, and for many residents who had periods, the expense this brought was a monthly frustration with cheaper unbranded products often substandard.

With such high outgoings for food, rent and bills, it could be hard to prioritise paying for these necessities.

“ I need new shoes. I don't know if you think about this too. I've got the same one pair. The sole on the bottom has got a hole in now and I really need new shoes....I've only got money for necessities.

L (17), North Shields

“ Some of them, if they get their UC and they need to buy a pair of shoes or a coat, obviously that's going to take a big chunk and then they won't pay their service charge and the service charge builds up. They're not coming in with much, so they have to [buy these things] That's where we're at. It's very sad at the moment. It's like, how soon or when are we ever going to get out of this. And to be fair, looking into the future, things aren't getting better.

Staff, Sutton Coldfield

“ It makes me feel like low because I can't even afford like, you know sometimes when it comes to the point you can't afford like basic toiletries due to the cost of living, you know how low that makes you feel? You can't afford basic needs. I mean, before back then I could afford a lot of stuff, but now I can't afford anything with what the money is.

K (17), Leicester

“ I've had residents going to a walk-in centre for toothache. They said it would be fine, just take paracetamol. She came back and said she had 18p in her bank account. The cheapest paracetamol she could find was 30-40p. She could not afford that tiny amount to get a packet of paracetamol. We're not allowed to hand it out for very good reasons. But she's in so much pain but we can't do anything about it. It's less than £1 and she couldn't even do that until her next payday, which is just ridiculous.

Staff, Norwich

HIDDEN COSTS FOR CERTAIN GROUPS

Our focus groups also highlighted the hidden additional costs for many groups of young people. This included transgender residents needing specific clothing or hospital trips, those who practice religions which require certain specific foods such as halal, and black residents who required specific hair products and treatments.

“ One thing we've seen is that for residents who are Halal, food is considerably more expensive, and so they definitely struggle with budgeting in terms of being able to get all the food they need at a somewhat reasonable price. One resident gets 1kg mincemeat from place down the road is £10, in Aldi that would be £3.50. He definitely struggles in particular with that.

Staff, Colchester

“ I'm gluten and dairy intolerant, so that's literally been so hard. It's ridiculous. Like if I do a shop, I could have like one bag full of stuff and it's like £30. It's really expensive. And I have other intolerances as well, so the stuff that I can eat is so limited, and often in the higher range of prices. So I can't get bread for less than £1, it's like £2.... I've just had to cut down what I buy, I guess. I just have to limit myself.

H (27), Brentwood

“ I feel like, how our hair is, as well, to maintain it, there're waxes and stuff to get it braided and stuff, the money definitely adds up with that. It's very expensive. All of them are branded, so you can't just get a random unbranded one. You have to actually get the proper things, and it really adds up.... I feel like it causes you to definitely sacrifice that stuff. It's like, yeah, it's definitely hard. It feels horrible. For someone like me, I have long hair, so if I can't afford it, I have to have it out, and even that is just — it can be very annoying. So it's like, yeah, not being able to take care of it properly, you'll feel like you can't take care of yourself properly at times.

E (19), Sutton Coldfield

“ V: Being trans is expensive.
N: Well, to bind your chest, it can cost at a minimum £30 for one binder.

V (17), N (18), Goole

LIMITED FINANCIAL RESILIENCE AND GETTING INTO DEBT



In October 2022, money was tight for residents trying to afford everything they needed to, and had little in reserves to weather prices as they rose.

When discussing residents' financial resilience in 2024, the low level of income they received each month was worsened still by rising costs, as well as sanctions from Universal Credit that meant less money had to stretch further.

LOW INCOME ON UNIVERSAL CREDIT

Universal Credit was the only source of income for most of the residents, with many priced out of working because of the impact it would have on their Housing Benefit if they worked more than a certain number of hours.

Very few participants in the focus groups felt that Universal Credit would last a month. It felt like it disappeared on the day some residents received it, for others it may last a few weeks. Rent payments and electricity would come out and food shopping would be done, with little left over for managing to buy anything more. Universal Credit sanctions, or advances to pay their first month's rent or other immediate essentials, could have a huge impact on future budgets. Sanctions were hard to contest, even when staff viewed them as unfairly implemented.



It's like, even on... I get a little less because I get advanced payment from UC, so that's another £10 gone. So, I'm actually left with £280 per month. By the time I've done food, rent, and try and get what other supplies, like cleaning supplies or college stuff, I'm left with absolutely nothing.

S (20), Grimsby



Sanctions are getting harsher. They've got no money then they can't pay their service charge, they've got no money for food. There's nothing they can do until the next payment. But then by that time they're spending money on food and they've built up the service charge, so it's two months. So where they're supposed to pay £46, it's going to be £92. It does impact them.

Staff, Wolverhampton



THE BUDGETING DILEMMA

Staff were well aware that no matter how much budgeting they did with residents, they would spend money on what they need and Universal Credit payments can run out within the first week or two. One notable problem here was for residents aged under 25, who receive less money in Universal Credit, despite the same amount of expenditure on rent and food.

“ I get embarrassed. When you get to the bottom [of their budgets] and it tells you how much they've got left in the month, I don't even want to look at that figure. I just want to say, you've got to pay that, pay that, don't look at what you've got left because it's not much, they're not going to do anything with it... Some of them are always over budget, no matter how much you try and cut back.

Staff, Wolverhampton

“ The main thing is food because food prices have gone up. But their Universal Credit, there's the age limit. Until they're 25, they're not entitled to any more money. But if their rents are going up and service charges are going up and they're still on that same amount of money, so that's an extra £10 on food, an extra £10 a month on housing costs. The main thing is the food. Are they going to buy food, or clothing, or books, I think mainly it's just trying to survive.

Staff, Sutton Coldfield

When residents had no one to turn to for financial support many had to find alternative ways to increase their income. This included cash-in-hand jobs, illegal activity such as drugs, and some joined OnlyFans to make quick money.

LIVING IN SURVIVAL MODE

A theme that emerged across all focus groups in 2024 more strongly than in 2022 was how residents felt like they didn't get to live like a young person, because of the costs they have to pay out and what they couldn't afford to do.

This could be particularly painful if they compared themselves to their friends outside YMCA, and seeing the normal lives they were living on social media that felt so far out of reach.

Every day was a struggle to get through and manage their money to last the month. In many ways, residents had become used to living in survival mode. There was little expectation that prices would be falling any time soon, or that residents' situations would change. Instead, living with very little was just how things were.

This hand-to-mouth living can cause some residents to live solely in the present, enjoying what little they have in the here-and-now because preparing for the future can feel too insurmountable. It could be easy to slip into impulsive spending as to what would make residents happy in the moment, rather than financial planning with what little they had. This could either be buying new items, or using drugs and alcohol as a coping mechanism.

“

It's just things that normal people our age shouldn't be stressing about.

They should be going to college, they should have a nice safe home, where they don't have to worry about where's your next meal coming from. Thinking, oh, my friends are all going out. But I can't go because I can't afford it. You don't live a normal teenage life when you're here because you physically can't afford to live a normal teenage life and it's horrible. It like takes that away from you.

N (18), Grimsby

“

I feel like I'm a really happy person, outgoing, a bubbly person, but inside

I actually do get upset about this all the time, but it is what it is. You just suck up and get on with it. I do think sometimes, I'm 19. I shouldn't be having the stresses I do.

R (19), Brentwood

“

A couple do make [their budgets], but if you go in their rooms, you see that

they've basically got no belongings. Their rooms are almost empty and void of any comfort and it's quite sad to see, to be honest with you. They're making their money last is almost impossible, even with all the budgeting.

Staff, Colchester

“

It's not even your luxuries, man, it's just wanting to be a human being rather than just surviving.

B (19), Mansfield

“

So, you want to try clubs and classes and put the equipment in, actually

make yourself feel good. But then on top of being so low energy and on top of that low mood because you're low energy you just don't have any motivation to go to the classes and then on top of that, no money. So there's just no point, you see everything starts to become a lot more redundant. You're like, "okay, well I could be doing this, but I can't this month, so it's alright".

N (17), North Shields

“

I think bigger change is the change perspective because the more time

passes in this cost of living crisis, the more careful you have to be and the more you sort of... There's less and less budget. Oh that looks nice it's, oh that looks cheap. It's changed in "that looks nice" or "that looks healthy" sometimes to "I can afford that". So it's not great.

B (19), Colchester

RENT ARREARS AND RUNNING OUT OF MONEY

One issue brought up in this year's research that was not present in 2022 was the level of rent arrears amongst residents. For some, it was a case that because of the increase in the cost of living, they struggled to pay enough each month. In one location, the increase in energy prices that fed through to an increase in service charges was noted as particular driver of rent arrears.

For others it was not having the habit of understanding the importance of paying rent and seeing it as a lesser priority than other monthly expenses.

“

It's been a struggle because obviously, we need food as well, but I'm in arrears because I need food. So I pick food over rent, because I think, you know, food is more...you need food to stay alive. Rent is...in my world, it's not really...I can catch up on it, you can't catch up on food, cause if you lose food then you're going to get ill, so in my eyes food always comes first. Especially cause if people are on medications, they need food. I'm on medication, I need food.

P (22), Cambridge

Amassing rent arrears is not without consequences, with notifications and evictions procedures a potential result if the issue could not be resolved. YMCAs worked with residents to try and avoid this, including extending the time to make repayments, or applying for grants to help reduce extreme levels of rent arrears that would affect their ability to move on.

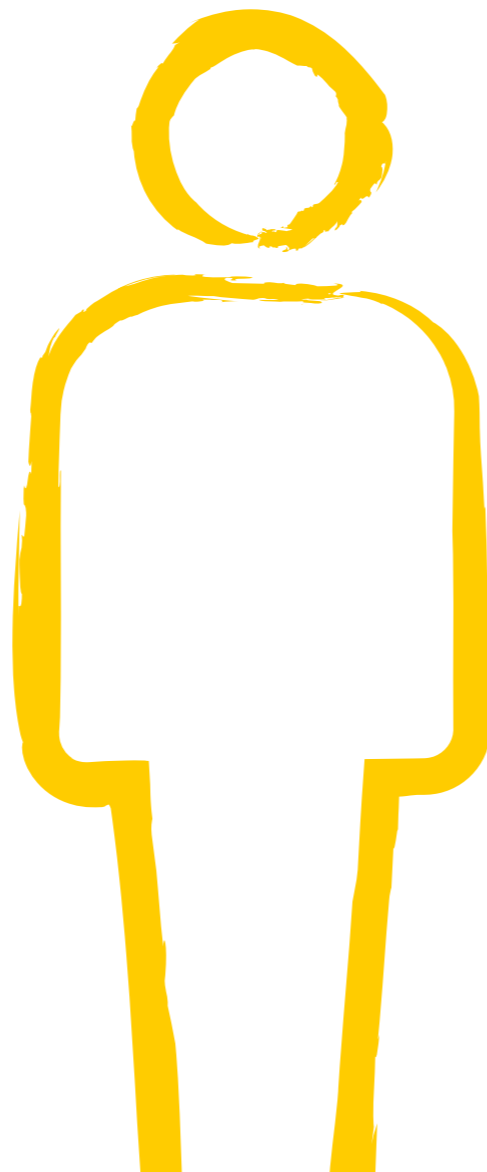


LEARNING ON FRIENDS AND FAMILY, OR FACING IT ALONE



In October 2022, YMCA residents who had partners or family they spoke to were often able to get money lent to them; others could get a meal once or twice a week prepared for them which helped. Although this went a long way, many residents did not have this support network. For those who didn't have friends or family to support them, if they ran out of money, they would just go without.

The financial situation of residents in 2024 was broadly similar, although residents who did have family able to support them were aware of increased costs they themselves were shouldering, and did not want to be a greater burden. It was also raised that residents may enter into rent debt to be able to have enough money for all their needs across the month.



NOT BORROWING MONEY

Borrowing money from someone else could be a way to manage expenses as they occur, but was a tricky area for some residents we spoke to. Some simply didn't have anyone they could borrow money from. They either did not have a connection with their family, or their families themselves were struggling financially.

For those who did have family connections, some were reluctant to do so, out of either shame of asking or the inability to pay it back. Often this meant going without what they needed, cutting back or buying less food. Sometimes increased costs meant any money borrowed was impossible to repay.

“Most of the people we know are either like... with me I don't really have a family I can call on, I don't really have... Like, my family is broken so I can't really talk to my mum and dad and ask them for money, and my brother is pretty much in the same boat as me, especially now that he doesn't really have a job. So asking for money has always been a struggle for me, I've always just had to wait and do my thing.

K (22), Cambridge

“I don't like to. I know I have to, but sometimes it annoys me that I have to because I'm having to ask [my stepdad] for money when he's having to pay out for other bills.

S (22), Lincoln

“I think it's the principle of it as well. You want to be able to handle yourself. You don't want to have to keep going to people and being like, “Oh, have you got money?” Then what happens if you forget that you owe that person, and then it becomes a problem? I feel like, when you don't have the money, sometimes you've just got to wait it out. Sometimes you'd just got to suffer, wait until you get paid from UC.

E (19), Sutton Coldfield

DEPENDENCY ON OTHERS

Even if not borrowing, some residents were able to get through each month with the support of others — be it family who help out without expecting to be repaid, or a partner that supports them. Residents also talked about how they helped each other out during the month if one of their friends in the building was struggling — there was a community in tiding each other over.

One new theme that emerged in this year's research compared to 2022 was that residents felt unable to support friends and family who were also struggling. When asked to help a family member out, they often had nothing to spare, and felt like they were failing loved ones.

“It's like we help each other. Like if someone's down and we've got a little bit we can help, we will help. We all help each other kind of because we're all in the same situation.

M (20), Derby

“

No, I don't speak to [my family] so if my partner can't help me out, I'm f****ed, pretty much, if we ever broke up or anything happened, I'd be f****ed... Not that anything is going to happen to me and my partner though, but if it did, I don't even know, I think I'd go off the rails to be fair.

N (18), Grimsby

“

My mum's an absolute gem when it comes to my daughter, she's so much help. And my dad, though, I can say to my dad as well.... if I go to my dad and say, "Dad, it's for the baby." He'll be like, "Yeah, have it, like, what do you need?" But it's a good job that I have got my mum and my dad and my boyfriend for her, because if not, like, I would genuinely be screwed.

J (23), Erdington

“

I think the one problem with money as well is knowing that your family aren't financially safe either. It's like my nan. My nan's always asking me for help and sometimes I can't do it. It makes you feel s**t.

Y (20), Norwich



ASPIRATIONS HALTED

In October 2022, the disincentivisation to work and move on from supported housing was high amongst focus group members because of the cost of living crisis. They were actively stalled in their plans to move out as they were worried about not being able to afford the energy costs in a new place and having an unsupportive landlord. People were particularly risk-averse towards taking a chance on going for a job they might not like, due to the disruption in benefits it might cause.

In the 18 months since, residents' aspirations were predominantly held back by their inability to start work: to be able to have more money and move forwards with their lives. Residents felt trapped with not being able to work, as more than around 16 hours a week could leave them liable for more than £1,000 a month in rent, but also through low incomes and not being able to afford living a normal life.

The thought of living independently was even less imaginable with the cost of private rental accommodation and the precarious nature of the market as a result of the housing crisis, alongside already-spiralling everyday outgoings.

INABILITY TO SAVE FOR THE FUTURE

When living in supported housing, saving money can be crucial to be able to move out: either to furnish and sort a council property, or the deposits and upfront rent required if moving into private rental accommodation. However, with food and energy prices so high, being able to put any money aside was impossible for many residents.

“ Yeah, for me I try to save up, but like I said I've had to basically starve. Like I will go, I think, two to three days without eating just to at least try and save up my money. I'll still find myself be almost having, I think, less than £1, by the end of the month. Even if I try to put... I try to do this thing where I take a percentage or whatever, like a fraction or portion and put it in a saving account and stuff, but even then, I still have to touch it at the end of the month because I can't reach. That's the issue.

T (20), Colchester

“ Sometimes I find myself putting money down, but I'm two weeks into the month and I'm stuck so I've got to go back to my savings, basically. That's what happens then you end back to square one. It's hard, you use it, again, because you literally need essentials. It's probably food or, in my instance, petrol sometimes, to get the food, so, yeah, sometimes you try and do it...

W (26), Erdington

The inability to save felt particularly sharp as even working wouldn't provide residents with a greater capacity to be able to put money aside, as working more than around 16 hours a week could leave them with liabilities for their rents equating to hundreds of pounds a week.

For those who had managed to put together some form of savings, they were having to lean into them as a means of getting through each month — rather than anything that they could consider adding to. For some, it was the case of buying much-needed items like shoes, or simply to buy food.

“ It's not exactly easy to save really, you're given so little and the fact that you can't be here forever as well, so you're just going to be stuck in this constant cycle of not being able to save, because you can't, you don't get enough to save. Then if you work you pay more for your bills and then you're stuck in that cycle again where you're not able to save. I feel trapped, it's suffocating. Honestly suffocating.

N (18), Grimsby

“ Anything I've had saved has been whittled down over the last year and now there's nothing at all. I was able to save money a few years ago and then I was able to maintain that. I wasn't able to save any, but also, I wasn't needing to take it from it and then it's went down the slope in the last year or so.

M (19), Norwich

FEELING TRAPPED

One of the most prevalent words that occurred in the focus groups was feeling “trapped”. This was often as a result of not being able to get a job without the large financial repercussions of losing their Housing Benefit, but also on an everyday level of having no money and not being able to afford the simplest things.

The cost of working was particularly stifling for residents, as it felt like they weren't able to make positive steps forward with their lives. They felt trapped on low incomes, as any step towards employment would result in rent bills that would wipe out their earnings — often meaning they were financially better off not working. This also led to social isolation as the friends of the young people we spoke to did not understand their financial situation.

“

Just like same s*** different day, literally. It gets so horrible

sometimes as well. You can't seem to do anything, like no matter what you do whether you take UC or you work, you're not benefiting it from anything.

N (18), Grimsby

“

You spend most of your time in your bedroom doing f***-all because you've got no money to do anything because everything costs money. You can't do nothing without having to pay for it.... [It's] boring and depressing. You're rotting away in your room because you've got no money.

V (17), Leicester

“

And so, [friends] that start ringing you up wanting to go out start lessening and lessening because they know the answer, they know it's going to be a no because you don't have the money for it. You don't have the money to spend at a cafe, you don't have the money to go out charity shopping with them, you have to budget it months in advance.

On top of that, when you're the only person in your friend group in school or whatever (because, again, everyone here will understand each other's struggle to an extent because we're all going through the same thing), people outside are not going to know that. They're not going to know the nuances here so they don't get it, they've got their family to rely on or whatever to budget that. They can't relate to that, they don't get that you are working more hours at work to afford food, let alone to go to the cafe.

N (17), North Shields

“

Yeah, like you feel like you just want to shut yourself away. That's how most people in here get bad mental health because you're not doing anything.

M (20), Derby

It was felt by some residents that there was little empathy from politicians as to their situation, particularly within the context of the cost of living. For some residents, they felt that decision-makers at the Department for Work and Pensions did not have an understanding of what it was like to live in supported housing on such a low income, as they had no experience of trying to get by on this.

BLEAK FUTURES

The survival-mode of affording daily living discussed earlier in this report translated through to how residents saw their futures. It was a case that looking six months ahead and what might that look like for them was an impossible ask, as making it through each day was their focus. Aspirations that young people once had, such as going to university or renting a house, seemed so far from reach that they were demotivated from feeling able to achieve these.

“

I mean, in the next six months, it's hard to predict how everything is gonna go. I don't know, we just feel vulnerable in the position that we're in. Because since I don't have an emergency fund, if anything just all of a sudden happens, then I don't really have an answer to it. I can try to get more jobs and earn more money, but I mean, in my current position, it's not an easy task. Even if I do, the amount of money I make is just kind of gone. It's either gone immediately to my costs or it's gone to the Council.

Q (20), Erdington

“

Like I want to go to uni and study music and music business, but I have no idea how I'm going to afford that or even be able to go through with it. Like it's the one thing I want more than anything in the world. I work my arse off at college, yeah, but it just seems so far out of reach because of the situation that I'm in.

D (17), Colchester

“

Eventually, but I think it'll take a lot, I think, because everything is so screwed, the systems are screwed, and it's like it's going to take decades. I've come to the realisation that, like with the price of houses, I'm never going to own my own house. I'm never going to be able to save enough money to even get a car, I can't even afford it and I'm better off than most and I can't afford it, cause I'm in the same boat as everyone else... It's crap, I'll be honest, it's pretty destitute, but this is why there's so many people struggling, but we'll get there eventually. Put a brave face on it and all that.

B (19), Mansfield

“

Someone said like the twenties is meant to be best years of your life and if this is the best years of my life, then I don't really want to make it to 30 if I'm honest.

L (24), Brentwood

“

We have a lot of residents who are very motivated to work, and this just pushes them that bit more. But because the system is set out the way it's set, it's almost unfeasible for them to do that. Because they can't move out quick enough, or there's not enough social housing, or the private rent sector is not affordable, or they won't take someone with a reference from us, or they can only afford slum landlords, or they can't get a deposit together because they're paying us in rent, and then they can't save up. They can't get a guarantor at all.

Staff, Black Country

“

They can't just shut off from it, because otherwise, as the new gentleman [in the focus group] was saying, if you didn't laugh about it, you'd cry. And that's the mentality they've got. That “actually I'm not even going to bother trying, because we can't”. And it is quite sad.

Staff, Mansfield

IMPOSSIBILITY OF MOVING ON

Beyond the near-term, moving on from supported accommodation still felt unaffordable as life felt for residents, often moving on could feel terrifying in the current economic climate. This included not having a YMCA landlord, which were more supportive and flexible if residents couldn't meet their rent or bills.

“

The idea of moving into council housing and then suddenly all these extra bills on top is incredibly daunting. Because it's barely enough money to survive on that, let alone when there's even more bills to pay.

M (19), Norwich

“

We've got one lad at the moment who's been ready for over a year to move on, and he will not move. He's panicking because he's saying what happens if I can't afford it? He knows he can afford £12.50 here, he just doesn't want to go. It's really affected his mental health. He's saying if he moved out and he can't pay, I'm going to get kicked out and be evicted. He's so scared to go because of the price of everything at the moment.

Staff, North Shields

“

We do a thing called life skills, which is part of what they have to do now to go onto the housing register, with independent living. A big part of that is shopping lists, what to buy, what not to buy, we did start doing budgeting. Because when they move out — here, they pay £11.51 service charge at the moment. When they move out, they pay their rent, then gas, electric, everything, they have to pay — it's not included in the rent. So that's something they would have to learn to pay. If they don't get a job, it'll be coming out of their Universal Credit, and it's going to be very difficult for some of them.

Staff, Sutton Coldfield



IMPACT ON YMCAS

The cost of living impacted not only residents' ability to afford everyday items, but on operations of YMCAs. This was more notable in this year's research as organisations had managed through the varying financial challenges that had occurred in the time since. These rising costs for YMCAs in turn impacted the charges put to residents, but also the services they were able to provide.



ENERGY PRICES

Existing energy deals with providers came to an end over the last 18 months and prior fixed rate fees were not repeated with the rising cost of fuel. Even the deals energy brokers could muster were still leading to a quadrupling of bills that YMCA Sutton Coldfield was paying for energy.

At YMCA North Tyneside, residents previously would buy electric cards for £5 alongside paying their service charge of £12.50, but often service charges were missed through either Universal Credit sanctions or not being able to pay it. Furthermore, the electric cards would not last a week. To ensure residents weren't going without electricity, they changed the service charge to £12.50 with unlimited use, and then had to subsidise the actual cost as an organisation.

Taking on the price increase as an organisation instead of passing on to residents was commonplace as much as YMCAs could, but as a charity there was not the financial reserves to be able to cover all of this.

Some YMCAs were looking at ways to mitigate the energy bill prices, from installing smart meters for residents, to installing solar panels. In some cases these costs were too high as an organisation, such as changing all windows in accommodation to double glazing.



We had to increase the wattage energy price last year which went from 16.6p to 25p. We had a really good fixed-rate fee, we were subsidising the payments. That ended, so we had to put rates up. For a few weeks or months, people were definitely noticing the difference then.

Staff, Colchester



As a company, YMCA is taking quite a hit. I see those bills, and what we're paying in the bills is not reflected in the service charge. So they're getting a good package down there. But they're warm.

Staff, Wolverhampton

FEWER DONATIONS

As a charity, donations are an important part of YMCA's ability to be able to support its residents. In supported accommodation, this can be through either tinned goods from individuals or corporate donations, or through organisations' surplus food that might otherwise be written off as waste produce.

Some YMCAs noted that donations that came in during the response to the Covid pandemic had now dried up, but weren't sure as to the cause of this. For some, the most obvious cause was that with everyone across society struggling, fewer items were being donated.

Food donations in particular are what YMCA North Tyneside had relied on for cooking lessons for its residents, as some arrive with very few cooking skills, however donations had decreased in recent times. The items YMCAs received weren't always food, but household items that they could give to residents for when they moved on, as often these items were difficult to afford amongst the cost of moving into their own accommodation.

“

So again, because we're not getting the donations and things like that, it's detrimental to the young person because they're not learning. That's another life skill, that should be a given. There's all sort of little things like that which people don't realise that this is affecting, that somebody's not ready to move on because they still can't cook, or they're cooking really basic things because we can't really afford to be buying — we want to teach people how to make mince dishes, and the halal food, we've got to go into Newcastle to get the Halal meat, and that's really expensive as well now. So it's all, it affects every aspect.

Staff, North Shields

“

We used to get quite a lot of donations. Food donations, sanitary donations, we'd get donations from stores, just random stuff like bed-sets or homeware stuff, all kinds. Now we get next to no donations. It does have a big impact actually. We used to use those kinds of things to bridge that gap, or if people were moving on, or anything like that. Yeah, it's really hard now.

Staff, Wolverhampton

EXTRA SERVICES MORE DIFFICULT TO AFFORD

As well as many other outgoings, YMCAs have not been able to afford the same level of activities for residents as they have in previous years that help residents prepare for independent living, such as cooking lessons, or excursions to give some enjoyment.

“

We don't do as many cooking sessions. We used to do brunch four days a week, now we only do it two days a week because it's too expensive to buy the ingredients. Things have had to change.

Staff, Leicester

“

There's also another element of, they've mentioned how every day is the same. Obviously, we tried to put on activities and day trips, but obviously there's only so much we can subsidise it by. So asking them to contribute even £20 or £25 towards a day out is costly, you know, and a lot of them are like no, we can't do it. So, you know we struggle from that side as well.

Staff, Grimsby

INCREASE IN PEOPLE COMING TO YMCA

Although the majority of residents are arriving at YMCA because of the same reasons as years previous, such as family breakdown, leaving care or homelessness, there were ways in which some of these had been exacerbated by the cost of living crisis.

The financial pressures on families, whether keeping up with mortgage or rent payments, parents losing jobs, or the rising prices people were faced with could lead to strain in relationships. In other cases, it was possibly the case that with rising costs, a child upon turning 18 was too much of an extra expense for families, leading to being kicked out.

“

It's mainly when that adult, the mum or dad or whoever they live with, they lose their property, and it's so common. And that has that detrimental effect on the young person. There's that embarrassment, they're 15-16 “oh my mum's been evicted”, or “my house has been repossessed” and they're from quite a privileged background. Sometimes they go off the rails, sometimes they rebel, sometimes it's mum and dad's fault so they lose touch with mum and dad, and then end up with social services and then they end up with us... It certainly has a knock-on effect of 16-17 year olds that we're seeing a lot more of.

Staff, North Shields

“

One of the reasons young people come to us is that when parents stop getting child benefit, the child stops being financially useful, they're asked to leave home. Not because of the bedroom tax, but because the benefit stops. They're not in college, they're not financially useful, they're not getting a job, they're asked to leave home and that's when we get them. When you're on second and third and generation benefit claimant families, which we have lots of here, they're not going to feed another mouth without their child premium and their benefit. So it is a knock-on of the cost of living from the adults and household coming down.

Staff, Colchester





**WIDER
ISSUES
EXACERBATED
BY THE COST
OF LIVING
CRISIS**

The cost of living has had a significant impact on residents' day-to-day lives, and less money in the present has made putting anything aside to the future tougher still. Yet, these ever-rising prices could be somewhat more manageable were it not for structural issues holding them back from earning their own money and moving on to independent living.

This is particularly pertinent at this stage of the cost of living crisis, as Government interventions to help individuals shift from direct cash payments towards assistance into work.

HOUSING BENEFIT TAPER

The single-most cited issue residents were facing that impacted them across their lives was the tapering of Housing Benefit when working more than a number of hours or earning above a certain amount of money as set by their local authority. On average, this was around 16 hours or £100 a week, but there was variation. The amount residents could be liable for varied also: in some cases it was 40p deducted from Housing Benefit for every £1 earned, in other places it was 60% of earnings had to then pay for rent, in others, Housing Benefit would be removed entirely if a resident earned above the set threshold.

YMCA staff across the country commented that these calculations were never clear, or easy to work with a resident prior to starting a job to work out exactly how much they would be paying towards their rent as their Housing Benefit was tapered. Residents would then be liable for a significant portion or all of their rent, which is higher than that in private accommodation because of the intensive housing management costs.

After these payments, residents would often have at best an extra £200 a month more than they would receive on Universal Credit for working full-time, but often could either break even or have less in their pockets.

There was little incentive for residents to work, staff pointed out, when efforts felt like they had no real reward. For residents this was incredibly frustrating: they were trying to do the right things but ended up worse off. Not only was it hard to see any gain for getting into work, but it felt like there was no avenue they could take to make their situations better. In some cases, the cost of working caused residents to quit their jobs.



It's like you think to yourself "I've done a good thing, I've got a job, I've done what's achievable". You haven't, because you're stuck now, it's like you're getting punishment because you're still stuck here. You can't find somewhere else to live, the council don't help you because there's no houses, there's a housing crisis. You can't go anywhere; you're still stuck here. So it's like you might as well not work and still claim UC, but then UC's not enough. So you want to work to get more money, but you can't get more money because you're paying out more than you actually get. So you're just stuck, you have nothing, and you have to get by and live like this every single day.

M (20), Derby

INTERPLAY WITH BENEFITS SYSTEM

Residents explained that few employers are offering 16-hour contracts. This was either for low-entry work, or if a resident had a vocation. Zero hours contracts were the predominant way residents could seek low-hour employment. However, this meant residents may take overtime shifts when offered, either out of obligation to their employer or to try and earn more money, and then face the consequences the following month.

For others, work could be job-based as an independent tradesperson, and could have dips in when they were in employment. In these circumstances, if they had been working above the Universal Credit earnings threshold (and so no longer received it), they would have to re-apply for Universal Credit and wait six weeks for payments to start again, leaving them with no income during this period.

Another issue here was if a resident's attempt at working didn't work out for whatever reason: either the job was unsuitable for them, it impacted their mental or physical health, or their employer didn't keep them on through their probation period, they would be left without access to Universal Credit — and again, financially worse-off for trying.

NO OPPORTUNITIES FOR LOW EXPERIENCE

Many residents were applying for jobs but with limited success. Sometimes this could be due to not meeting certain thresholds — having either failed their maths and English GCSEs at school, dropped out of education early or having been in alternative education provision. This meant they may not have had a standard set of qualifications to get through to interview-stages of jobs.

Others had completed their GCSEs and A-levels, but because of their age or prior worklessness, had no experience that employers were seeking.

In some areas, there simply weren't many jobs that residents could hope of getting. One resident with experience of kitchens could not find any vacancies in their local area, another had only found two plastering jobs in the two years since they had qualified. In these circumstances, young people with limited experience could fall to the bottom of employers' piles of potential recruits. Residents also feared that the fact that they lived in YMCA accommodation could hold them back from being invited to interviews or getting a job, because of the perception of homeless hostels.

MENTAL HEALTH WORSENING

In October 2022, young people felt their mental health was worsening: they felt trapped and unable to leave their rooms, since every time they did, they seemed to have to spend money. They felt they were just surviving and had nothing fun to live for. There was huge worry rising costs and income not increasing with it.

Since then, 18 months later, the cost of living crisis has continued to lead to a degradation in many people's wellbeing, with the stress of making ends meet negatively impacting mental health. What came out in this year's research was that within supported accommodation, however, mental health needs were already high without the pressure of having to weather rising prices.



It just makes added stress, do you know what I mean? I can't speak for everyone, but I have enough of my own problems, like mental health problems. Having to stress every day, like, what am I going to do for dinner, do I have enough for this, blah, blah. There are literally some days you don't want to cook; you don't have the energy. But then you can't get a takeaway, it's literally just draining, it's just stressful really, that's all I can say.

J (23), Erdington



[They're] deflated. Low. A lot more anxiety, depression. A lack of motivation. A lot more are having to use crisis services, the mental health services, I've seen an increase in that in the last year especially.

Staff, Burton

For residents the cost of living crisis has been made worse with many mental health services having significant waiting lists or a struggle to access care altogether. In some cases the financial stresses they were facing as a result of the cost of living crisis was impacting their ability to cope.



It affects everything. You need food to stay alive. It's affecting their physical health, their mental health as well, they're stressing and wondering. It affects their sleep patterns as well. They're always lethargic.

Staff, Grimsby



And to then get the support they need for their mental health, well that's just a nightmare. It's just knocking your head against the wall. You go to the GP, you go to the doctors, they get the referral, but the waiting list to get referred is, by the time all of that's been sorted, their mental health is that poor, they don't even think they want their support or help. They think "this is my life now; this is how I am".

Staff, Wolverhampton



Losing weight causes other issues as well. Health issues, but mental health issues. Because if you're not having food then you're going to be thinking about food. You're going to be depressed, things like that.

M (18), North Shields



I feel like a lot of people that live here have gone through a lot of traumatic stuff, hence probably the reason why they've been here. And a lot of people are really bad mental health and they've got like limited capability and they're on PIP, so they find it really hard to work and stuff, and then there's obviously also the cost of living. And if you've been told you're not allowed to work, you're not allowed to, that's it, so it's like you're being forced to have no money.

S (18), Southend



I don't really do things what I enjoy. It doesn't help my mental health really. I'm just sat there bored every day because I haven't got the money to do anything.

S (22), Lincoln

What was notable to staff, however, was how some residents could get by better than others: those aged over 25, and as such, receiving more a month in Universal Credit.



What I've seen, it does make a difference, the finance has such a massive impact on their mental health. We've had a few clients where they've had their work capability assessments and I've literally seen within a month. They've been able to get some extra money through that process and it's like I've seen a different person within the month. You can physically see they're better. A better colour in their skin, they're eating better, their hair's better, let alone their mental and emotional wellbeing. It's just a change like that, and that's just finances.

Staff, Wolverhampton

Individuals who are unable to work because of physical or mental health conditions or disabilities are able to apply for Personal Independence Payments, or PIP, as a benefit to assist with the extra living costs they may incur. For daily living difficulties, this can be either a standard rate of £68.10 or an enhanced rate of £101.75 per week; for mobility this is respectively £26.90 and £71 per week. Individuals receiving PIP are still able to work without having this removed.

Separately, in a work capability assessment, Universal Credit claimants are assessed as to whether they have a limited capability to work, in which the work requirements of training, job applications or entering works will not be applied, as well as an award of the work capability amount of £390.06. In some cases, those with a limited capability decision will need to prepare for work.

Some residents in focus groups received PIP, had limited capability assessments, or both. As the cost of living crisis had increased costs of daily life, for some residents this money enabled them to live a little more comfortably. For other residents, the application process was cumbersome and often without success, despite their needs.

Conversely, staff had noted a small increase of applications during the cost of living crisis as a consequence of low income and not being able to afford everything residents needed. While many residents did need this, and the extra money was a help in getting through each month, staff were aware of the consequences the PIP and work capability assessments could have in reifying residents' negative beliefs in themselves and eventual ability to enter employment.

ACCESS TO PIP

With higher mental health needs amongst residents, it was highlighted by some YMCAs that there had been an increase in applications for personal independence payments and work capability assessments. These could come with higher Universal Credit payments for residents, as well as reducing the onus to apply and take employment if they were not assessed as able to work.

COST OF LIVING GOVERNMENT INTERVENTIONS

In response to the cost of living crisis, the Government implemented a series of interventions to help individuals manage the rise in prices they were experiencing both at the supermarket and in their utility bills.

£300

COST OF LIVING PAYMENTS

The one most pertinent to residents in supported accommodation was the Cost of Living Payments, sent in three instalments of around £300, if they were in receipt of Universal Credit during assessment periods between January–February 2023, August–September 2023, and November–December 2023. Respectively, these were received in April–May 2023, November 2023 and February 2024. Residents would not receive these payments if they were not in receipt of or applying for Universal Credit during the assessment periods, or if their Universal Credit payments had been sanctioned during this time.

Prior to the Universal Credit payments landing in residents' bank accounts, YMCA staff worked hard to promote what the payments were designed for, and how residents should use this money to set themselves up in better stead for the winter months. They put up posters with suggestions of what residents could use the money for, such as electric blankets or topping up their electricity, as well as having discussions with residents about this incoming money as part of their one-to-one sessions with support workers.

HOW THE PAYMENTS WERE SPENT

For many residents, the Cost of Living Payments were an important factor in their ability to buy food over the last year. Sometimes this would be the case of one big spend to get essential items covered for some time.

“

I spent mine on a food shop. I did one of them, a big refill in everything food shops. I bought like all my washing powders, seasonings, sauces and all of that.

B (21), Brentwood

“

Mine just went towards just like important stuff like food. I literally cannot afford like anything outside of daily stuff.

H (26), Brentwood

“

Instead of having £20 a week, I think I put £30 or £35 a week for food shopping.

C (19), Wolverhampton

The Cost of Living Payments allowed residents who had gone without more expensive essentials a chance to finally purchase these, from winter coats to new shoes, to stocking an empty wardrobe or items to help them in their education. For others, it meant they could afford essential travel: either to exams, or for unexpected situations that would otherwise have been difficult to manage.

“

I had to use mine because I had a family funeral, so I used that money to travel, so I didn't have to worry about have I got enough money and stuff. Because I've got kids as well, like I've got to think about them at the same time, so it was mainly on the travel costs more than anything.

T (31), Wolverhampton

“

I got a new jack lead which can be quite expensive, and I got a DI box which is what I've been needing for my college stuff. I want to do well at college and that's what I need to do well at college and music is going to be my career. I'm already working in the music industry now, so as much as it was a treat for me it was also beneficial.

D (17), Colchester

For some residents who had increased rent or service charges as a result of increased electricity costs, the payments helped as a way to supplement their higher charges. For those who paid for their own utilities, staff noticed that the Cost of Living Payments allowed residents to put money onto their electric for the first time in months.

In other circumstances, the payments helped reduce off debts that had been accrued, both personal and in rent arrears. This often could be a relief for residents and lessen the burden they had accumulated, with little chance of having the money to do so out of their Universal Credit payments. This was particularly pertinent if a resident had previously been sanctioned.

“

They did, most of them put extra on the meters. Our residents paid it down, and the reason being is they put extra on the meters because we have residents that regularly sit in flats with no electric.

Staff, Wolverhampton

“

What lots of residents were doing was getting into rent debt because they couldn't pay it. If your UC is sanctioned for whatever reason, or UC advance is taken off, still need to pay their rent. They get this money; they can pay it all off. Which was great, because that meant they weren't at risk of being evicted anymore. But if it wasn't for that, they would have been so truly stuck.

Staff, Norwich

It was ultimately each person's decision as to how they spent their payments, and having the long-term view of everyday expenses across several months was not always a priority.

“

Obviously everybody budgets differently, and there's 80-something clients here, and we can't tell them how to use their money. We just advise. Fill your cupboards, put as much on the electric. But it's life, everybody's different. Some of them might have blow it on a pair of trainers. But all we can do is advise because they're in their own flat and it's their own money, so all we can do is offer advice. It's a mixture. Some of them are fantastic with budgeting, some of them, it's hard, really hard.

Staff, Erdington

While many residents did use their Cost of Living Payments on their core costs of rent, bills and food, for some it may not have been spent as carefully. If a resident had addictions, this money could quickly disappear on the substance they used.

While the payments were overall recognised as a useful short-term intervention that helped with rising costs, it was felt that there was still need for more systemic changes to young people's income and ability to earn money in supported accommodation.

“

L: It did help. Don't get us wrong, obviously, it did help money is money, it just doesn't change it.

N: Grand scheme of things.

S: It feels bittersweet.

L (17), N (17), S (20), North Shields

HOW IT WAS PAID

Residents and staff were both asked about how the Cost of Living Payments were delivered. In some cases the large lump sum payments were seen as helpful, but for others it would have been more useful to receive in smaller increments each month, similar to how the £20 temporary weekly uplift was added to payments during the Covid pandemic. This mixed review shows the difficulty in delivering help in the way that is most beneficial to the recipients.

PRO LUMP SUM

For some, the £300 lump sum payments were incredibly helpful in terms of alleviating debt or making out-of-pocket spends when they need them, rather than struggling to save the necessary money. It was felt by some residents that any additional uplift to Universal Credit would disappear quickly in a way that lump sum payments didn't, and as such felt more impactful.

Receiving the extra money in large payments meant residents could think beyond everyday expenses and think more about what they need, especially when they hadn't been able to afford certain items for some time.

“ It depends, if someone's gotta buy a bunch of clothes for winter, which it makes sense to give them all that money, rather than making them wait, so you can start trying to accumulate the funds to pay for things. I think a lot of people have to save here if they want to buy anything anyways.

F (21), Southend

“ Nowadays you need a huge quantity of money just to live off. A small amount of money, it just disappears like nothing. Even if you try and save it, even if you try and budget it as well, it doesn't always work out because you always need something in the end because you are always gonna run out of something.

M (17), Leicester

“ The Cost of Living Payment, it gave us, like, an extra breath. I will say it was extremely useful and I will say no, giving us a bit every month would have been pointless. It would have been absolutely useless. We would have to have saved up ourselves and had...if anything came up, we would have had to have gone, well, are we going to continue saving up? Or are we going to get what we need? Giving us it in a lump sum was helpful.

C (27), Lincoln

PRO INTERVAL PAYMENTS

For other residents, the lump sum payments seemed to disappear quickly with all the items they needed to buy. In this sense, receiving the payments in weekly or monthly implements would have been more beneficial over the long-term.

Given the level of monthly income residents were accustomed to on Universal Credit, the addition of an extra £17 a week or £75 a month (the equivalent of £900 annual payments spread across a year) would allow residents to have more easily allocated this money to their budgets.

“ It probably would have been better if it had just been added to the normal payments as an increase over time. Cause instead of having every two weeks a small amount of money, that would be boosted by £20, £30...

T (23), Cambridge

“ S: They should spread it out across over the months and add it onto your £290. Because if someone gets £300, they might go spend it straight away whereas if they're getting an extra £30, £40, well £50 quid a month for extra four months, it would make more sense, I think, there'll be less inclined to waste it, some people.

F: With shopping and that, it would help out, the extra £50 a month.

S: If you're used to £290, if you got the extra £50, you would be able to use it wisely, because you've been living off the £290 for so long, you're used to it.

S (22), F (20), Grimsby

While YMCA staff saw the benefits the Cost of Living Payments brought to residents, some were aware that they weren't always best spent when received in lump sums by those who might not be as long-term oriented. This was particularly the case when mediating the impulsive spending of residents with lower budgeting skills who had gone without for some time.

For some staff, payments in cash were part of the problem for residents who had spent them unwisely. As they were only able to advise should for example, put money aside or put more on their electric, having the money designated for certain things may have meant residents would have topped up electric accounts rather than going without heating.



I do understand that, when that hits their pocket, they want to go out, have a bit of fun, they want to have their luxuries. Because they go for so long without those things, and to scrimp, and to suffer. So when it hits their pockets, they're like oh I'll get a tattoo, I'll get whatever. I get that, and that's why I personally think it would have been more helpful to spread that out over a year, so they had an extra however much it is, rather than those three chunks. I think it would have been better because they would have been able to budget a bit more, save a tenner here, £20 there if they wanted to go out, whatever. I think it would have been more helpful like that.

Staff, Wolverhampton

THOSE WHO DIDN'T RECEIVE IT

There were some residents who did not receive the Universal Credit payments, either because of sanctions they had received (and had not accessed hardship payments following these), or they had not been in receipt of Universal Credit during the assessment period three months prior to the payment dates.

This was either because at that point they were not living in YMCA accommodation, or were in work and had since left. For residents in these situations, the money was equally needed — but they were unable to get any support.



L, who was working the first time wasn't eligible for it, now they're not working, doesn't seem that eligible because they weren't when it started, which seems ridiculous, so we're trying to get somewhere with it, but struggling to get an answer with it.

Staff, Norwich



It's like they work it out between the period, if you didn't get it between this period and this period, you're not eligible for it, but that doesn't help some people that actually need it. Like it doesn't help, and I think that's their way of literally shutting everyone up and trying to keep them happy. We'll just give them an extra payment randomly just to shut you up so it's fine.

M (20), Derby

THE END OF COST OF LIVING PAYMENTS

The Cost of Living Payment received in February 2024 was the last of the Government's lump sum payments, with support instead coming through uprating benefits in line with inflation (6.7%) and schemes to help individuals into work.

For residents trying to keep financially afloat, however, the end of these payments left them wondering how they might get through.

COSTS AREN'T REDUCING

For residents, the payments were ending despite them still seeing prices rise in the supermarket and their rent was increasing. It didn't make sense as to why they would not be getting this support, and would make it difficult to make it through each month.

For others, it would mean readjusting their budgets, as they had been using the Cost of Living Payments to support their rent, service charge and energy payments



So, those payments, there's the one that came out a few weeks ago. That's the last one. How does that feel that there won't be another one?

I: Pretty sad. Just, you need the extra money.

Do you feel things have stopped being unaffordable, or is it, things are still expensive, and that money's ending?

B: I feel like it's still expensive, and only going to get more expensive.

L: In April, things increased, so the cost of everything increased, so I think I'm kind of a bit fed up of it. I think things gradually getting more and more expensive, it's just not good, is it?

I (22), B (19), L (19), Sutton Coldfield



It'll be a bit of a hit to finances, yeah, cause then you're gotta make sure that all your bills are paid...if I get on top of my bills at the end of the month, like I save my money, and then at the beginning of the month when I should be paying my bills, I'm flush. But by the time I get to here, it's like I've got nothing, towards payday.

B (19), Mansfield

FEELING ABANDONED

The end of payments felt to some residents like they had been forgotten, as people on low income and with limited ability to work, both through ill-health and the risk of being financially worse off for doing so.

For other residents, there was little to be done: they were used to financial hardship, and there was no point ruminating further on it.



The Cost of Living Payments have kind of come to an end now, how does that feel that there's not another one of those coming?

It is what it is, it happens, you've just got to adapt to the situation. That's what I think, anyway.

E (24), Wolverhampton



Is the cost of anything going down? Why stop with the payments if the cost of living's still going up? I feel I'm being lied to; you know, they sort of start throwing money out so we forget how dire the situation actually is, it was sort of like a little distraction. But now they're sort of... just leaving us to our own...to just try and figure it out. Like, an issue that isn't really our fault, a lot of people living here, it's not their fault, you know, it's either sort of society or the system's failed them or potentially even their parents. And that's not a young person's fault. So the fact that they're suffering and struggling to afford things and having to budget on quite an extreme scale, kind of shameful, isn't it?

F (21), Southend

NO SAFETY NET

For staff, the end of Cost of Living Payments was a greater concern for some residents' ability to stay at YMCA, as it had often been used to help supplement rent or service charge payments, or to pay off arrears that had built. Without this extra money, some residents were at risk of eviction.



That's my biggest fear because they've had the last COL and as a team, we've got to start making a stance to say you cannot let this build up because you've got no safety net now. At that stage we will have to implement certain policies and procedures because you've fallen behind on your rent.

Staff, Leicester

ENERGY BILLS

SUPPORT SCHEME

Between October 2022 and March 2023, the Government provided a £400 discount on energy bills to UK residents, typically through a £60 monthly reduction on energy bills, or in the form of vouchers sent in the post for households on meters.

In its initial announcement, residents in supported housing were not covered by these payments as they did not themselves pay the energy supplier, or were in combined accommodation. In February 2023, the Government released the Energy Bills Support Scheme Alternative Funding (EBSS AF) for households that do not have a domestic electricity supplier. Eligible households would receive the EBSS AF in a single £400 payment. This was dispensed through local authorities.

For YMCAs, it was a mixed picture as to whether they could access these payments for residents.

Many YMCAs were unsuccessful in attempts to apply for payments to their residents as bills were not in their names.



Where they're in shared accommodation and they're not directly paying the bills, I don't think they got it. I know a lot of them tried, but I think a lot of them failed because they're not actually paying the bills, there's nothing in their name, there's not a utility bill in their name. If they did get it, they haven't told us, but I know a lot of them were rejected because it's shared accommodation, and they're not the person that's paying the energy bills. As an organisation, we didn't get anything.

Staff, Sutton Coldfield



Some of them got letters about it but with them being here and they don't have bills in their name, they wouldn't be able to access it anyway. We've had young people who've moved out, they've been able to get it, but because they live here, it would be fraud basically, it didn't have an effect on them.

Staff, Leicester

RECEIVED BY RESIDENTS

In some cases, residents were able to receive their payments in the form of vouchers rather than cash payments. Some YMCAs worked hard with their local authorities to claim as many payments as they could for residents. Although the process was convoluted, Cambridge City Council would alert YMCA Trinity Group if any applications were missing certain details that would result in not being awarded, and working until the final day of the scheme to get payments sent.

“

We linked up with the Energy Bill Support Scheme and Cambridge City Council. We pretty much, we were told at one point that the only people who were eligible were the ones who moved in before x date. We managed to get 70% of residents through that. Bearing in mind some are fully funded so ineligible. We worked tirelessly to get letters sent out, the number of times the council were coming back saying they need more information for a person. It was really a lot of hoops to jump through, but me and my team worked really hard to make sure those payments came out. We were really fortunate in the number of payments that came through.

Staff, Cambridge

“

That wasn't all that hard, they were actually getting that quite easily. Sometimes they didn't understand what it was and they'd come in with their letters and we said no, it's that code, you need to take that code to the shop and it tops up your meter, so understanding what's this all about as it was in a letter, and it had a barcode. We had to tell them what to do but it was coming through to them quite easily.

Staff, Erdington

For other YMCAs, it wasn't always guaranteed that residents would receive the payments. Because of the charging structure of YMCAs and when rents are increased, the payments landed prior to residents seeing an increase in payments.

The system worked against residents in some cases with the way the applications were formatted. At YMCA Derbyshire, residents were encouraged to apply but only the first person to do so received the payment because the address given was that of the housing complex — meaning the system refused to pay out any further to anyone living at this address.

The payment of the £400 directly to residents in cash, rather than the reduction in bills or vouchers that were received through the standard EBSS meant money did not necessarily go on energy bills — often because of how little residents had themselves.

“

It was a bit odd, some of the residents got it, but some of them didn't. At that point when it was given to them, they weren't having to pay any more for energy. We only increase our rent every financial year at the beginning in April. So some were getting this weird energy rebate, but they weren't paying for energy. It was a really weirdly-done system. It still came through before the rent increases, before us having to pay more energy. So we were still having to pay out a lot of money, but it was the residents that got the money. Some didn't seem to be eligible for it, some of them were. It was a bit of a mess really.

Staff, Norwich

“

I think Government did the wrong thing by putting money into people's banks. I know we shouldn't be a nanny state but for many people, it would have been better if they had the £60 on energy accounts, or vouchers.

Staff, Colchester

“

Well, that was the problem, because we didn't see much of that I believe. That got paid directly to the residents, now that would have been better if it went straight to supported accommodation, because they're not going to give you £400 towards their energy, but that's what it was for, and we didn't see much of that. Giving it to 16-, 17-, 18-year-olds “there's £400, go pay your supported accommodation manager for the electric for the next six months”, they're not going to.

They've all had a different journey but they're all here for a reason. Sometimes when people have had absolutely nothing growing up. We've had a girl move in today with a bag. That's it. If she got a £400 payment, she would be going out to buy clothes because she needs it. It's not just around the energy side, which I appreciate it's meant to be for. But if you've got no food in the cupboard and you've got no clothes, are you going to pay a lump sum off your electric? You're not going to. I understand it. I don't agree with it, but I understand it.

Staff, North Shields

WHAT

WOULD

HELP?

In the focus groups with residents and interviews with staff, we asked what solutions they thought would be most helpful to manage the cost of living crisis.

Interventions varied from the more short-term intervention of more money delivered through Universal Credit or age limits lifted, to more systemic changes that would better enable residents to enter the workplace or education without getting into debt.

While food prices coming down was arguably an obvious suggestion from residents, this is driven more by agricultural and economic forces rather than something that can be adjusted through more direct policy change.

What was more important, however, were solutions with a long-term focus rather than piecemeal interventions.

ADJUSTMENTS TO HOUSING BENEFIT WORK TAPER

In every session, limiting the tapering of Housing Benefit when residents started work was seen as one of, if not the most, important interventions that would help residents through the cost of living crisis.

Working while living in supported housing is an integral element not only for residents to earn money, but to build structure into their lives and contribute to society. At the present, residents are finding it difficult to do so because of the few hours they can work before they become liable for their rent as Housing Benefit payments are tapered. Working full-time, or even occasional overtime, can mean residents are liable for more than £1,000 in rent payments.

Earning money without such heavy personal liabilities would mean residents not only had more of their wages to themselves to be able to afford all they need to, but this support with work would mean they could save money for when they move on from supported housing.

► UNIVERSAL CREDIT TAPER

One way residents would be able to work and keep more of their earnings, and then be in a better financial position for moving on, is a grace period on the Housing Benefit taper. A grace period would mean residents would be able to make more for themselves in their day to day lives, but also relieve some of the stresses.

The ideal period of time for this was between six and 12 months. This would allow for residents to pass probations and settle into work, as well as grant the time needed during the wait for social housing, or alternatively put money together for a private rental deposit.



Either make it gradual or just give you a grace period at the start.

Because worst case you could be at that job for a couple weeks and then you are fired for whatever reason. Could be your incompetence or the employer's incompetence, could go either way, and then suddenly you're much behind on or you didn't get on from that. I don't know. I feel like either reduce how much of your own lose or just give a couple of months grace period to settle into a new job before you are paying £300 [weekly rent].

M (19), Norwich



Whatever goes missing, whatever they've declared you've earned so [Housing Benefit] has taken this off, we then have to then ask them to pay. And as well where a lot of them will work and they did loads of overtime, thinking they're doing really well, then the next month, Housing Benefit sees that and then they want even more off them. Which is probably the months where they've got no overtime, and it's like, it needs looking at, the whole thing, if they really do want to get people into work. They bring up all these schemes, but that would be one of the easiest ones to put something in place for that for a year.

Staff, Lincoln

► INCREASED EARNINGS ALLOWANCE

Alternatively, another suggestion was to increase the number of hours residents could work before their Housing Benefit was tapered. Typically residents said that fixed hour contracts were for a minimum of 25 hours, which often were above the set threshold. Increasing the earnings cap would mean there were more job opportunities open to residents without fears of financial repercussions in terms of their rent payments.

A higher earnings allowance also seemed a fairer trade for the amount of money residents were paying in rent for a room in supported housing, as the amount they would be paying for limited space would feel less of a psychological barrier. Staff were aware that the higher rents paid for the support element that residents required and YMCAs delivered, but felt it was important that there was a way that organisations could still receive this money while residents were able to go out and work.



If we could work full-time, we could save up in like eight weeks to get a deposit and go, say, private, or go onto the next ladder.

T, 37, Lincoln

“

So in terms of what could be done to try and improve things, what would you say is the one thing that would help you?

To take the hours and rent down here so that you could start working, that would help. It would actually be possible to get a job.

M (22), Cambridge

“

If they could go out to work and there was a bit more they could earn, so say instead of the £400 they were able to earn up to £700, if it was a small chunk they were paying towards their HB, because some people would be paying £30 a week or something, that's quite fair. But the rooms we have here, it's a room. I could understand if it was a full house but it's an en suite room. They're decent but it's a room. I would say if they were getting a bit more money and they were able to save, they've at least got a bit more money for when they're moving out.

Staff, Grimsby

The Housing Benefit taper was not always clear to residents and staff alike as to when it would kick in and how much residents would be liable for. Knowing when and how much they would be liable for was an important piece of information for residents looking to enter employment.

This was seen as a way that could help residents become less dependent on benefits, as they would be able to come off Universal Credit while in work, especially if they were able to move into full-time work with set hours rather than variable.

There was a correlation between residents being unable to work and the amount they were impacted by the housing crisis, as they were trapped in supported accommodation on no income whilst they waited with little success to get to the top of council housing waitlists.

“

I think if it was like a set rate, like they said it's £300 a month if you want to work, because then you know how much you're paying.

L (24), Brentwood

“

And then obviously we can't tell them to go and work full time because then I'm going to charge you £1,200 for your Housing Benefit, so it's that cycle again. And when they come here, they come here with their traumas and we work so hard to get them back to a mental and healthy standard, and say you can't work, we've got to keep you here another three-to-four years. The housing crisis is the biggest effect on these guys. Because you get some that literally are ready. They've done their time, they've got to where they need to be, and they are ready to leave, and then it gets to where it is a disservice to them because we can't give them exactly what they need. Sometimes they do need a full time job and that's the thing that young person needs to grow.

Staff, Leicester

UNDER-25S IN SUPPORTED ACCOMMODATION UNIVERSAL CREDIT TOP-UP

Residents in supported accommodation were living independently, regardless of age. They were paying their own rent, bills and food shops: yet those aged under 25 were receiving 20% less than those aged 25 and over.

Equal payments for those living independently would help younger residents pay for the same outgoings they have as those sometimes just months older than them. For those aged under 25, the prospect of an extra £80 would mean less financial strain when trying to manage their money each month.

The extra £80 could mean a whole food shop for some residents; for others it would contribute towards costs they have simply because of their age. For residents in college this was affording trips or supplies they needed for their education.

“

That would be helpful, definitely. Really, why is it different? I don't understand. If you go to that shop, both of you are paying the same price for that. If you both go to the same property you're paying the same rent. So I don't really understand why they're different.

Staff, Erdington

“

The second you move out of your parents' house or whoever you were living with and you move into a place like this, age ain't really a thing with money-wise and life-wise because we're all in the same situation at that point. So age within getting money on UC should be no different to how old you are because we're all in the same situation.

V (17), Leicester

“

It would probably remove that sort of week at the end of the month where, what am I gonna eat with a fiver a week? It would probably dampen, if not remove that last bit of the month where you just can barely eat, and you have to eat the cheapest crappiest food or end up in a food bank.

M (19), Norwich

UNIVERSAL CREDIT TAPER

Starting work can be a challenge for residents in supported housing, especially those who have physical or mental health concerns, or are working for the first time. In other settings, they may start work that has variable hours, or a set contract. For a variety of reasons, residents may start work and come off Universal Credit, for their employment to end. This would result in residents waiting six weeks to re-apply for Universal Credit. For many entering work for the first time, knowing the financial cliff edge they could face if the job didn't work out could put residents off entering work — and as such having their own earnings to help with the cost of living crisis.

Similar to Housing Benefit, residents would benefit from a grace period when starting work that would allow Universal Credit payments to restart if their employment ended.

In some cases, residents had JobCentre staff recommending not to change their employment status until certain points in the month, to try and limit the impact of Universal Credit removal if the job fell through for any reason.

A Universal Credit grace period would create a safety net for residents to start employment with less of a risk if it didn't work out.

“

Well, them obviously tapering, like them taking money off, we, well, myself personally, if was in the position, that's a risk for me to go out and even try and attempt that because of my mental health conditions. Because the last three jobs I've lost because of my mental health conditions. It'd be a gamble whether they would cater, which I highly doubt it, to my needs. And it's a gamble on my part where it's like how long am I going to be able to do this for? How long before I'm going to need, you know, a break, or help from my psychiatrist or something, and they're just going to go, “no, we can't.”

C (27), Lincoln

“

It would help because if you lose your job, you're gonna have to go through the process of getting that back up to the full 100% again. There are people at the JobCentre, they do turn around and say to you, “Don't make no changes on your thing until after the 17th or 18th of the month, and then you will still get your payment come through, then you've got the whole month to worry about if you've lost job.” So if you can stick with it till the 18th and you've still got the job, then make the change.

K (22), Cambridge

“

I think the tapering would work fine if they stopped working, they would get tapered back up again straight away. A lot of them due to mental health or just living somewhere like this, it's not easy to work. A lot of them work, have to leave or quit or whatever, it takes a while for UC to come back in. That's what deterring a lot of them from working, if it doesn't work out, then it takes a month for UC to start properly paying me then, and then I'll be without money. The tapering system works fine if they went up in their UC as quick as they took it away.

Staff, Norwich

ESSENTIALS GUARANTEE

One idea suggested to residents and staff was the Essentials Guarantee — a concept proposed by Trussell Trust and Joseph Rowntree Foundation, where benefit claimants would receive a level of income that would cover all essentials. For 2024–25, this was calculated at £120 for a single claimant per week, or £520 a month. This would equate to £208 more than under-25 residents will receive this financial year, and £228 more than they received in the 2023–24 financial year.

Given the low level of Universal Credit residents currently received, and how little this covered, for some this was an obvious solution.

“

It would make their life a lot lot easier. If you think what they're on at the moment and what they're having to pay out of that, it's ridiculous. It would just make their life a lot easier, stop them struggling. Stop a lot of stress. It's a pressure. It's really pressurised, and you never know what somebody might do outside because of it. A criminal way, do something they might not normally do because of it because it's the pressure, they're young people at the end of the day. There's always a risk that somebody might do something that they wouldn't normally do because of the financial strain and pressure that they're under.

Staff, Erdington

While residents agreed that this level of income would be helpful, some YMCA staff felt that this level of income from benefits may disincentivise residents from seeking work. If it was enacted, certain requirements or changes in payment method were suggested.

To ensure that the extra money went to the areas it is designed to support, it was suggested that voucher payments to the same value might ensure residents used this money correctly.

“ I do think there’ll be an element when people will be less motivated to get out of the benefits system, because they’ll be a little bit more comfortable, they’ll be able to tick along and get by. We have to take into consideration that everything’s gone up and let’s face it, the benefits aren’t in line with that, aren’t even close. But it doesn’t necessarily have to be cash, does it. They could increase it with vouchers, or something like that. So, it will be used on what it needs to be used on. It could be on electric, it could be food, it could be vouchers to get clothing. Something like that.

Staff, Wolverhampton

An important part of time spent in supported housing was teaching residents the value of work while accessing the help from staff to manage to stay in employment. For residents who came from workless families, this could be a particular difficulty. The Essentials Guarantee could be used in this scenario as an incentive for residents to get qualifications and work-ready.

“ There’s almost the notion that there’s some people that not working is a lifestyle thing. It’s a double-edge sword for me. In an ideal world I’d say yeah, but knowing what people do, it’d be squandered. It would enable half the people’s habits than it would hinder. If there was a notion that you could earn that money, get that additional, but you got that additional because you were in education, and you could get that education past the wake-up 19 time and could get the free education and tie into that, and get that incentive. You’d be able to get a few of them into college.

Staff, Leicester

Another solution suggested was for this extra money to be put aside into a savings account or trust fund-style model, which residents could then access for a rental deposit.

ACCESS TO EDUCATION

Often, residents came to supported accommodation with limited or no qualifications. Through fractious upbringings or disillusionment at a young age, they left school or college early and then struggled to enter the workplace.

The cost to take Level 2 or 3 courses after the age of 19 meant many residents were priced out of being able to get these needed qualifications when they were now

at the point of getting their life back on track. Many now wanted to, but the wake-up call to get their education would often come after they were too old to access it.

Access to education until the age of 25 would mean residents who are looking to get their basic qualifications or learn a trade to enter the workplace could do so without insurmountable course costs.

“ Yeah, cause like with me, that place, they want like £1,000 for a year’s course and I’m like, “Where am I gonna get a grand from?” It’s like trying to get help but it’s like, I wish they’d just bring more things in. Like, if you left school before you were 16 and you left with nothing, they should say, “Right, well till you’re 25, if you wanna go back, there you go.”

B (19), Mansfield

“ I wanted to go back to college. When I was younger, teachers told me not to go to university because I had problems with alcohol. Now I’ve got myself back together and I want to do fine art, but I can’t. I want to be a tattoo artist.

N (20), Burton

One resident had planned to enter dental nursing, and would use Universal Credit payments to fund the £2,000 course fee, to be told by DWP that this would be unfeasible. If residents are unable to access courses while in supported accommodation to help them live independently, they should not be hindered in using their Universal Credit payments to pay for the chance to better themselves.

“ They’re going to still pay me UC, but if I said to them I’ll use the UC to pay towards the course. They were like, no, because that’s basically classed as employment and...they won’t, but they’ll pay me to stare at four walls. So it’s like you try and take a step forward and you are still shut down, but then it’s like I’ve got nowhere else to live. So it’s not like I can just be like, okay let me leave this place and go stay somewhere else’s because I actually haven’t got that. It’s like you’re stuck. So like sleep on the streets and work or sit in your room and do nothing.

L (24), Brentwood

TRAVEL

Residents were dependent on public transport to be able to get to work, college, or see friends and family. For some, it was the only way they could get to cheaper supermarkets to try and keep their food costs down.

Sometimes residents would miss appointments because of the cost of getting there and back. Although bus prices had been capped on most services, £4 was an expense many couldn't easily manage on a regular basis. Bus passes for residents in supported accommodation would mean residents were able to get to necessary Universal Credit and personal appointments without the financial hit each time.

Free travel passes would negate these costs and allow residents to go where they needed to, without having to scrimp across other areas of their life during the cost of living crisis.

“

Travel passes would be absolutely a lifesaver. Because it's even things like medical appointments, hospital appointments, things like that. The residents that don't go, they can't afford to go, they don't come and tell us and they've missed really important stuff sometimes.

Staff, Wolverhampton

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Get in touch

For any questions or support, please get in touch via email at policy@ymca.org.uk or by calling 020 7186 9500.

EVERYONE

SHOULD HAVE A FAIR CHANCE TO DISCOVER WHO THEY ARE AND WHAT THEY CAN BECOME.



Here for young people
Here for communities
Here for you

YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

FAMILY & YOUTH WORK

HEALTH & WELLBEING

HOUSING

TRAINING & EDUCATION

SUPPORT & ADVICE