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EUROPEAN SOCIAL CHARTER

Ad hoc report on the cost-of-living crisis

submitted by

THE GOVERNMENT OF THE UNITED KINGDOM

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COUNCIL OF EUROPE

THE EUROPEAN SOCIAL CHARTER

THE UNITED KINGDOM'S *ad hoc* REPORT

Cost of Living

DECEMBER 2023

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1. Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021.

The UK government is committed to building an economy that works for everyone. The National Minimum Wage (NMW) and the National Living Wage (NLW) are the two statutory minimum wage rates in the UK. Through both the NMW and the NLW the government protects the lowest paid within our society.

The NMW is the minimum pay per hour almost all workers are entitled to. The NLW is higher than the NMW, it is the minimum hourly rate of pay an employee over the age of 23 can receive. Recently announced, the age threshold has been lowered from 23 to 21 years old. The NMW and NLW rates are adjusted annually on 1 April, considering various other factors such as, inflation, productivity, and economic growth before recommending revised rates.

On 1 April 2024, the UK Government will increase the NLW for workers aged 21 years and over by 9.8% to £11.44 an hour.

A full-time worker on the NLW will see their gross annual earnings rise by over £1,800 per year. In total, the annual earnings of a full-time worker on the NLW will have increased by over £8,600 since it was announced in 2015, and by over £10,000 since 2010.

The UK establishes social dialogue on the NLW and NMW through the Low Pay Commission (LPC). The Low Pay Commission (LPC) is an independent body set up by the UK government responsible for carrying out extensive research, consultation and commissioning research. It draws on economic, labour market and pay analysis, independent research, and stakeholder evidence to inform its recommendations. The LPC make their recommendations on the basis of significant stakeholder evidence from businesses, workers, and academic representatives.

The LPC are made up of nine commissioners and they represent academic, employer and employee backgrounds to reach a consensus decision. The minimum wage rates are set on the expert advice of the LPC.

We consider the LPC's advice on whether to increase the NLW and NMW rates to ensure we deliver our commitments and reflecting the needs of businesses and workers.

We expect the increases to the NLW and NMW to give a pay rise to around 3 million workers.

	2023 rate	2024 rate	% nominal increase	Cash increase
National Living Wage 21 years-old and over (previously 23 years-old and over)	£10.42	£11.44	9.8%	£1.02
18 to 20 years-old	£7.49	£8.60	14.8%	£1.11
Under 18 years-old	£5.28	£6.40	21.2%	£1.12
Apprentice	£5.28	£6.40	21.2%	£1.12
Accommodation Offset	£9.10	£9.99	9.8%	89p

Table 1 - National Living Wage and National Minimum Wage rates 2023-24 and 2024-5

The following table shows the National Living Wage rates from 2021 to 2023.

	April 2021	April 2022	April 2023	April 2024
NLW rates	£8.91	£9.50	£10.42	£11.44
NLW cumulative increase since April 2021	0%	6.6%	16.9%	28.4%

Table 2 - National Living Wage rates from 2021 to 2024

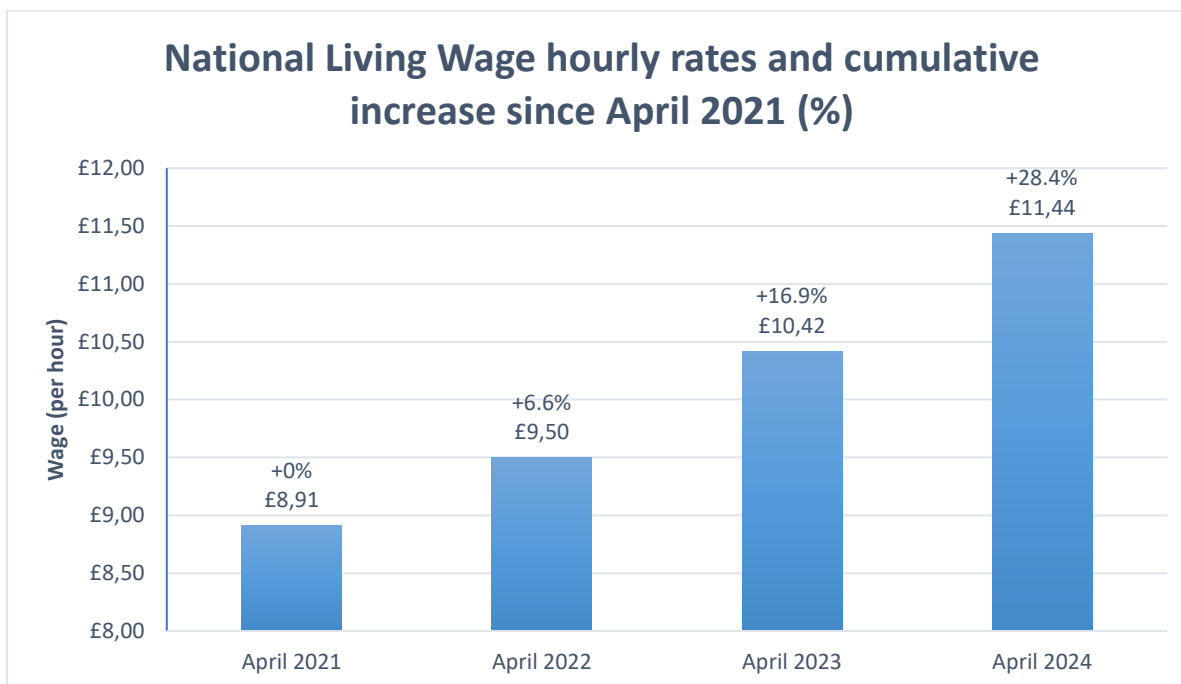


Figure 1 - National Living Wage hourly rates and cumulative increase since April 2021 (%)

Devolved Administrations

UK wide policy.

Isle of Man

The statutory framework for a minimum wage in the Isle of Man is the Minimum Wage Act 2001 and the Minimum Wage Regulations 2001.

The Minimum Wage Committee established by the Act consists of an independent Chair, 2 members representing employers and 2 members representing workers. Appointments to the Committee are made by the Department for Enterprise, and from time to time, the Committee is requested to make recommendations as to the rate of the Minimum Wage.

In making a recommendation in respect of the minimum wage, the Minimum Wage Committee must consider a number of factors (as set out in the [Minimum Wage Committee Regulations 2002](#)), including the wider social and economic implications of any minimum wage which can take into account the rising cost of living. When considering making a recommendation the Committee will consult with businesses and other stakeholders. On receipt of a recommendation from the Committee, the Department may make Regulations to establish a new minimum wage. Tynwald, the Island's Parliament, must approve these Regulations for the new minimum wage to come into effect. The minimum wage on the Isle of Man was most recently increased in April 2023, with previous increases in 2021 and 2022.

In addition to this, the Isle of Man Government has also calculated a voluntary Living Wage, most recently increased in July 2023. The Government has committed to aligning the minimum wage with the living wage by April 2025.

2. Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021.

The UK government recognises that high levels of inflation have created challenging economic circumstances for both workers and employers. Therefore, the UK continues to take measures to preserve the purchasing power of the minimum wage to improve the fairness of the labour market.

One measure is the annual adjustment of the NMW and the NLW rates. Since the NLW was introduced in April 2016, it has significantly outpaced inflation. The NLW has increased the pay of eligible workers by 45%, whilst the Consumer Price Index (CPI) increased by 30% between April 2016 and April 2023.

Since 2015, the NLW has a target based on median earnings. The previous target for the NLW to equal 60% of median earnings was met in 2020, and a new target brought it for the NLW to equal two-thirds of median earnings by 2024.

On 1 April 2024, the Government will increase the **National Living Wage** (NLW) for workers aged 21 years and over by **9.8%** to **£11.44 an hour**.

This record cash increase of £1.02 per hour means the UK will hit its target for the National Living Wage to equal two-thirds of median earnings for those aged 21 and over in 2024. This will end low hourly pay for this group.

A full-time worker on the National Living Wage will see their gross annual earnings rise by over £1,800 per year. In total, the annual earnings of a full-time worker on the National Living Wage will have increased by over £8,600 since it was announced in 2015, and by over £10,000 since 2010.

The Government is also realising its long-held ambition to extend the NLW to workers aged 21. From April the age threshold for the NLW will reduce from 23 years to 21. This will put more money into the pockets of more workers.

The Government will also increase wages for young people under the age of 21 years:

- For those aged 18-20, the National Minimum Wage rate will increase to **£8.60 an hour**, an increase of **14.8%**.
- For those aged under 18, the National Minimum Wage rate will increase to **£6.40 an hour**, an increase of **21.2%**.
- The minimum hourly wage for an apprentice under the age of 19 or in the first year of their apprenticeship will increase to **£6.40 an hour**, an increase of **21.2%**.
- The Government has accepted all the recommendations of the independent, internationally renowned Low Pay Commission for the April 2024 National Living Wage and National Minimum Wage rates.
- We expect the increases to the National Living Wage and National Minimum Wage to give a pay rise to around 3 million workers.

This comes alongside state pension being up-rated by 8.5% in 2023-24 and both universal credit and pension credit being up-rated by 6.7% in 2023-24.

Devolved Administrations

UK wide policy.

Isle of Man

See Question 1. The cost of living is one of the factors that is taken into account by the Minimum Wage Committee in considering its recommendation for an increase to the Isle of Man's minimum wage.

- 3. For States Parties with no statutory minimum wage, please describe any measures taken to preserve the purchasing power of the lowest wages since the end of 2021.**

N/A – UK has a statutory minimum wage.

4. Please provide information as whether the cost of living crisis has led to the extension of in-work benefits.

[E.g Supplements to support workers on low incomes such as the prime d'activité in France, or the Working Family Payment and the Back to Work Family Dividend in Ireland.]

Background

With over 1 million vacancies across the UK, our focus is on supporting people into and to progress in work. This is based on clear evidence about the importance of full-time employment in substantially reducing the risk of poverty.

Universal Credit (UC) is a UK social assistance measure that supports those who can work into work and for those who cannot work by providing a minimum level of income. It has replaced and combined six benefits and credits with a single monthly payment that supports people on a low income, out of work or if you cannot work. There are five basic conditions of entitlement to UC: to be 18 years or over (with some exceptions); to be under Pension Credit age (with some exceptions); to be a resident of the United Kingdom; to not be in full-time education (with some exceptions); and to have accepted a claimant commitment.

UC ensures that work is the best choice for individuals or families and provides a route out of poverty and benefit dependency. In UC, earnings are treated in a way that seeks to ensure people are better off in work so not all of a person's net earnings are deducted from their benefit. Claimants with children and/or limited capability for work benefit from a work allowance which is an amount of earnings a UC household can earn (including employed and self-employed earnings) before the single taper rate is applied to their earnings and their UC begins to be reduced.

Changes to Universal Credit

In November 2021 the UK government reduced the taper rate from 63% to 55% and increased the work allowances¹ by £500 per year meaning many families can keep more of what they earn before their benefits are tapered off.

During the UK's Autumn Statement on the 22 November 2023, the UK Chancellor announced an ambitious package of measures designed to support people wherever they live in the UK to enter work.

During the announcement, the UK Government confirmed they will be increasing working age benefits, such as UC, in line with inflation by 6.7 per cent. This will be an investment of £19 billion in State Pensions and benefits in 2024/25 compared with 2023/24. This will see 5.5 million households on UC gaining £470 on average in 2024/25.²

Also, as part of our Uprating Review, we will be increasing UC work allowances. This will mean families and households where an adult has a disability will be able to earn

¹ [£1000 boost for nearly 2m working households on Universal Credit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/1000-boost-for-nearly-2m-working-households-on-universal-credit)

² For more information and charts explaining this, see our answer to Question 6 on pp. 15-18 below.

just over £400 per month (if they get housing support) and nearly £675 per month (if they do not) before they lose any of their UC.

Childcare

The UK also recognises that high childcare costs can affect parents' decisions to take up paid work or increase their working hours which is why the recent changes to the UC childcare element provide generous additional financial support to parents moving into work and/or increasing their working hours.

The UK is investing billions in additional childcare support for parents of toddlers, investing in wraparound childcare in schools, increasing financial support for and expectations of parents claiming UC.

On 28 June 2023, we increased UC childcare maximum costs, allowing parents to claim back over £300 more for one child or over £500 for two or more children from their monthly childcare costs.

From April 2024, eligible working parents of 2-year-olds will be able to access 15 hours of free childcare per week (38 weeks a year) from the school term after the 2nd birthday. Between September 2024 and September 2025, this will gradually be extended to eligible working parents of children aged between the 9 months-old and school age (between 4 and 5-years old).

This childcare offer means that for many claimants, childcare costs should not present a barrier to entering work in the future.

The UC childcare policy aligns with the wider government childcare offer in England and there are similar funded early learning offers in Devolved Nations. The free childcare offer currently provides 15 hours a week of free childcare in England for all 3- and 4-year-olds and disadvantaged 2 year olds, doubling for working parents of 3 and 4 year olds to 30 hours a week.

Devolved Administrations

The policy for direct in-work benefits, such as Universal Credit and Tax Credits, is determined and legislated for by UK Government as a reserved matter.

Northern Ireland

In Northern Ireland (NI) the Department for Communities (DfC) introduced a number of emergency measures to make the NI specific Discretionary Support scheme more accessible so they continue to mitigate, where possible, throughout the prevalent increases to the cost of living.

The NI Discretionary Support Scheme is a programme that provides financial assistance to people who are in an extreme or exceptional situation or are in a crisis, it can help with short-term living expenses.

Claimants must satisfy an Annual Income Threshold (AIT) to be eligible to apply for Discretionary Support. The AIT was raised to £20,405 with effect from 22 April 2020 despite having already been raised to £18,137 on 01 April 2020. The AIT has

continued to increase and is currently £24,382.80 since April 2023. This increase encompasses more citizens on low income enabling them to avail of emergency financial support.

DfC also temporarily increased this debt threshold from £1k to £1.5k during the pandemic. The purpose of this increase was to ensure more people in hardship could access Discretionary Support loans. Due to demand levels, this threshold remains in place.

Isle of Man

The Isle of Man Government provides a number of in-work benefits including the Employed Person's Allowance and Income Support. Social Security benefits rates were most recently increased in April 2023.

An additional £12 million support package to those receiving benefits was implemented in 2022, including the Energy Support Payments worth £300 made in late 2022 to those receiving an income-related benefit and paying housing costs in order to support those at higher risk of fuel and food price increases.

5. Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits.

The UK has a comprehensive welfare system. The UK government is committed to reducing poverty and supporting low-income families. We will spend around £276 billion through the welfare system in Great Britain in 2023-24 including around £124 billion on people of working age and children, and around £152 billion on pensioners. Of this, around £79 billion will be spent on benefits to support disabled people and people with health conditions.

In addition, the UK is focused on ensuring those of working age have access to a comprehensive employment package will focus on supporting inactive individuals aged 50+, disabled people, people with long-term health conditions, welfare claimants and parents. The UK Government's approach is based on clear evidence that employment, particularly where it is full-time, substantially reduces the risks of poverty. Our answer to this question is restricted to the topic of the Ad-Hoc report rather than covering every detail of changes to the UK welfare system in the time period. More details of the UK welfare system can be found on [gov.uk](https://www.gov.uk), including eligibility, appeals, tax credits and Universal Credit.

Cost of Living Payments

The UK announced Cost of Living Payments to support those on the lowest incomes with the rising cost of living. This was made law through the [Social Security \(Additional Payments\) Act](#) in March 2023. The UK has paid almost £15 billion in Cost of Living Payments.

Means-tested, £900 Cost of Living Payments to be made in three payments of

- £301 – First Cost of Living Payment – during Spring 2023
- £300 – Second Cost of Living Payment – during Autumn 2023
- £299 – Third Cost of Living Payment – by Spring 2024

Additionally, we are providing the following support for certain vulnerable groups:

- £300 – Pensioner Payment – during Winter 2023/4
- £150 – Disability Payment – during Summer 2023

To be entitled to receive a Cost of Living Payment the individual must be entitled to payment of a qualifying means-tested benefit during the qualifying periods, or a payment for an assessment period ending within the qualifying periods.

This followed the **2022 support package**, which included:

- A £650 Cost of Living Payment for means-tested benefit claimants, split into two payments, each of which supported over eight million households
- £300 and £150 payments, which reached over eight million pensioners and over six million disabled people respectively
- A £150 Council Tax rebate for all households in Council Tax bands A-D
- A £400 energy bill discount for all households, which continued until March 2023

Employment support

Over 50s

In the UK, we have committed to a spending of £63 million for programmes to encourage retirees over 50 to remain in or to return to work. For example, for those who have recently become unemployed, we are committed to providing eligible older jobseekers with more intensive, tailored support to tackle the barriers they are facing and meeting their extra support needs.

One new initiative in this space is the introduction of 'Returnerships', an offer targeted at over 50s, which brings together the government's existing skills programmes, focusing on flexibility and taking into account previous experience to reduce training length. This will promote accelerated apprenticeships, Sector-Based Work Academy Programme placements and Skills Bootcamps to the over 50s. This will support better access to re-training and allow workers of all ages to engage with the opportunities of a second career.

Another initiative is the Mid-life MOT, this helps older workers in their 40s and 50s take stock of their finances, skills, health, and prepare for their retirement and build financial resilience. It encourages people to review their skills and to assess what their skills mean for their careers and future. We will now be improving and expanding this service, with an enhanced digital offer as well as an increase in face-to-face delivery in our Jobcentres. This will help people to better understand their financial position and better plan for their future, helping to reduce low income and poverty in retirement.

Disabled people and people with long term health conditions

In the UK, we are committed to supporting disabled people and people with long-term health conditions. There were 4.9 million disabled people in employment within the UK from July to September 2022. This is an increase of 240,000 on the year and an overall increase of 2.0 million since the same quarter in 2013. The disability employment rate was 52.6% in July to September 2022.

The UK have introduced a new voluntary employment programme called 'Universal Support'. This scheme has £53 million in funding and will provide personalised help to people facing complex barriers to work across England and Wales. Individuals will be able to opt in to receive up to 12 months of personalised 'place and train' support from a dedicated key worker. They will help them to find and move quickly into suitable work, followed with wraparound support to help them to sustain that employment for the longer-term with one-to-one personalised support from their work coach.

Childcare support

We are also providing £4.1 billion by 2027-28 in additional childcare support for parents of toddlers, investing in childcare in schools; and increasing financial support for, and expectations of, parents claiming social assistance, called Universal Credit in the UK. These commitments will specifically benefit low-income families at the point at which they take up or progress in work. See also

Devolved Administrations

Scotland

Scottish Child Payment

The Scottish Government increased the rate of Scottish Child Payment to £25 per eligible child per week, and extended entitlement to eligible children aged 6-15, from 14 November 2022. These changes were legislated for with [The Social Security \(Miscellaneous Amendment and Transitional Provision\) \(Scotland\) Regulations 2022](#). The payment value for Scottish Child Payment is £25.00 (weekly) in 2023/24.

Best Start Grant

In November 2022, the Scottish Government made changes to Best Start Grant in order to pay the Early Learning Payment and School Age Payment automatically to eligible individuals in receipt of Scottish Child Payment, without the need to apply, and to provide some families with access to the higher Pregnancy and Baby Payment, even though they are not applying in relation to their first child.

These changes were legislated for with [The Social Security \(Miscellaneous Amendment and Transitional Provision\) \(Scotland\) Regulations 2022](#).

The payment value for Best Start Grant: Pregnancy and Baby Payment is £707.25 for the first child and £353.65 for subsequent births in 2023/24 (one-off payment). The payment value for Best Start Grant: Early Learning Payment is £294.70 in 2023/24 (one-off payment). The payment value for Best Start Grant: School Age Payment is £294.70 in 2023/24 (one-off payment).

Best Start Foods

From 2 July 2022, the Scottish Government made partners of eligible pregnant persons eligible for Best Start Foods as long as the benefit is used for the nutrition of the pregnant person and allowed appointees to be made for entitled pregnant persons and partners of pregnant persons and also for individuals responsible for an entitled child. These changes were legislated for with [The Welfare Foods \(Best Start Foods\) \(Scotland\) Amendment Regulations 2022](#).

The Payment value for Best Start Foods is £9.90 (weekly) on the higher rate and £4.95 (weekly) on the lower rate in 2023/24.

Winter Heating Payment

In January 2023, the Scottish Government introduced Winter Heating Payment in Scotland. The Payment provides a stable, reliable annual payment of £55.05 which helps nearly 400,000 low-income individuals with their heating expenses each winter; and breaks the link with weather dependency and provides financial support to ensure that everyone who is entitled to the payment will receive guaranteed support each year, regardless of the weather, the temperature or where they live. The introduction of Winter Heating Payment was legislated for with [The Winter Heating Assistance \(Low Income\) \(Scotland\) Regulations 2023](#), which came into force from 24 January 2023.

Adult Disability Payment

Following a phased pilot rollout which began in March 2022, Adult Disability Payment opened for new applications in all areas across Scotland on 29 August 2022. The introduction of Adult Disability Payment was legislated for with [The Disability Assistance for Working People \(Scotland\) Regulations 2022](#) and came into force on 21 March 2022.

Adult Disability Payment is administered by Social Security Scotland and provides people with support for extra costs. It is available to people between 16 and state pension age who have care and/or mobility needs as a result of a disability.

Eligibility for Adult Disability Payment is based on the impact an individual's condition has on their daily life, rather than relating to any particular disability or health condition. The payment value for Adult Disability Payment in 2023/2024 is £26.90 - £172.75 per week (depending on the severity of the person's needs).

Case Transfer: Disability Assistance

As part of the devolution of disability benefits, the Scottish Government have successfully transferred the disability benefit awards of more than 97,000 people from the UK Department for Work and Pensions to Social Security Scotland since October 2021. The Scottish Government have successfully completed the transfer process for over 99% of children and young people who were in receipt of Disability Living Allowance in Scotland.

The Scottish Government have made a number of improvements to the application and decision-making process, such as providing a choice of communication and application channels and the removal of face to face assessments and functional examinations. The Scottish Government fast-tracks applications from people with a terminal illness. Clinicians use their judgement to determine whether a person is terminally ill, rather than using fixed periods of life expectancy.

The Scottish Government have begun work to deliver the commitment to undertake an independent review of Adult Disability Payment. Between 31 January and 25 April 2023 the Scottish Government consulted on the eligibility criteria for the mobility component of Adult Disability Payment ahead of the independent review launching later this year.

Wales

N/A - welfare benefits are not devolved to Welsh Government

Northern Ireland

Discretionary Support Scheme

The NI Discretionary Support Scheme is a programme that provides financial assistance to people who are in an extreme or exceptional situation or are in a crisis, it can help with short-term living expenses.

The 2022-23 Discretionary Support grants baseline budget was £13.7m. With additional funding in November 2022, to support the increased level of demand, the final grant spend in 2022-23 was £40.3m. The baseline budget for Discretionary Support grants has been increased by 46% to £20m in 2023-24. These measures help to ensure that more people in need are able to avail of emergency financial assistance via Discretionary Support.

Welfare Supplementary Payments

The Welfare Supplementary Payments are available to support people who may lose out under welfare changes in NI. This scheme has been extended until March 2025.

In 2022, legislation was made to extend NI specific Welfare Supplementary Payments and amendments were made to provide full mitigation, equivalent to the loss of benefit, for all families with children affected by the benefit cap and those impacted by the Social Sector Size Criteria. Welfare Supplementary Payments totalling £32.6 million were made to over 41,000 people in 2022/23.

Isle of Man

The Isle of Man Government has brought in several changes to social security and social assistance systems since the 2021, with the most recent increase in social security payments implemented in April 2023. In addition to this, Isle of Man Government has funded additional funding packages to the Social Security Division in order to assist those at the highest risk of impact from the rising cost of living. These measures range from support with energy bills to amending legislation for those claiming Income Support and Jobseeker's Allowance to prevent vulnerable people from becoming homeless with the removal of a 'double debt' rule. More information can be found [here](#).

6. Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.

Social security and social assistance benefits in the UK are uprated and adjusted annually to reflect changes in the cost of living.

The Secretary of State for the Department for Work and Pensions is required by law to review benefit and pension rates each year to see if they have retained their value in relation to the general level of prices or earnings.

The Secretary of State's review is based on CPI in the year to September and on the AWE growth in the year to May-July.

State Pensions are subject to the 'Triple Lock' commitment. Under the Triple Lock, these pensions rise by the highest of the growth in: average weekly earnings (AWE), inflation measured by consumer price index (CPI) or 2.5%. In 2021, because earnings data series has been distorted by the pandemic the government decided to temporarily suspend the earnings element of the 'Triple Lock' used to uprate the State Pension and Pension Credit. Instead, for 2022-23 the new and basic State Pension, Pension Credit and survivors' benefits in industrial death benefit increased by the higher of CPI or 2.5%

The uprating of the basic and new State Pension, Pension Credit Standard Minimum Guarantee and survivors' benefits in Industrial Death Benefit are linked, by law, to earnings growth.

The specific increases by each year between 2022-23 and 2024-25 are outlined in Figures 2 and 3 below and explained in the text that follows.

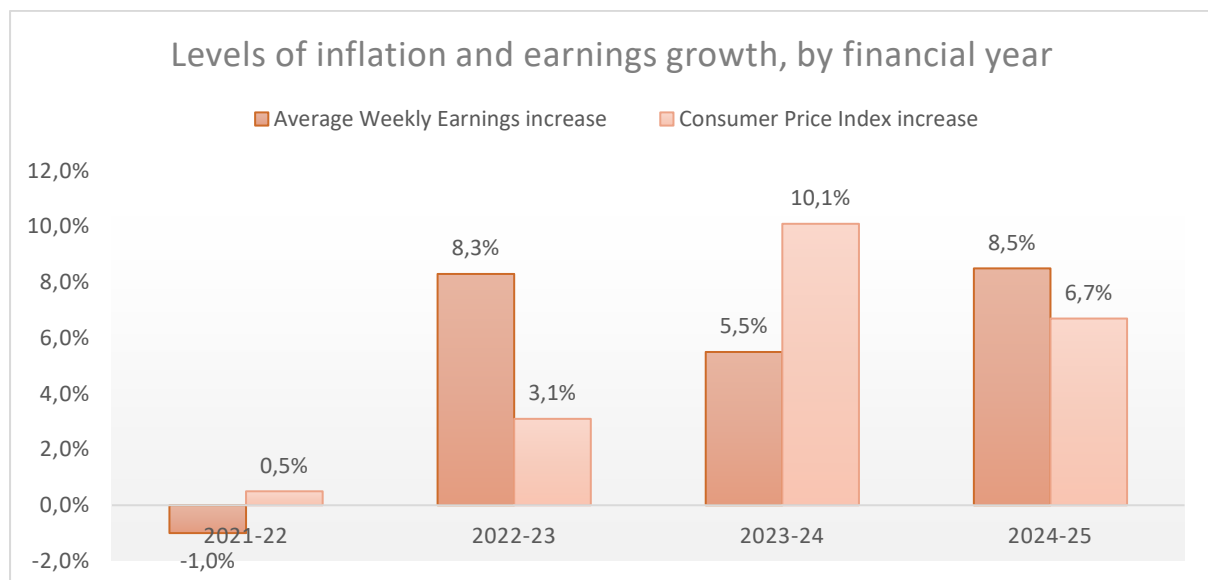


Figure 2 - Level of inflation and earnings growth, by financial year

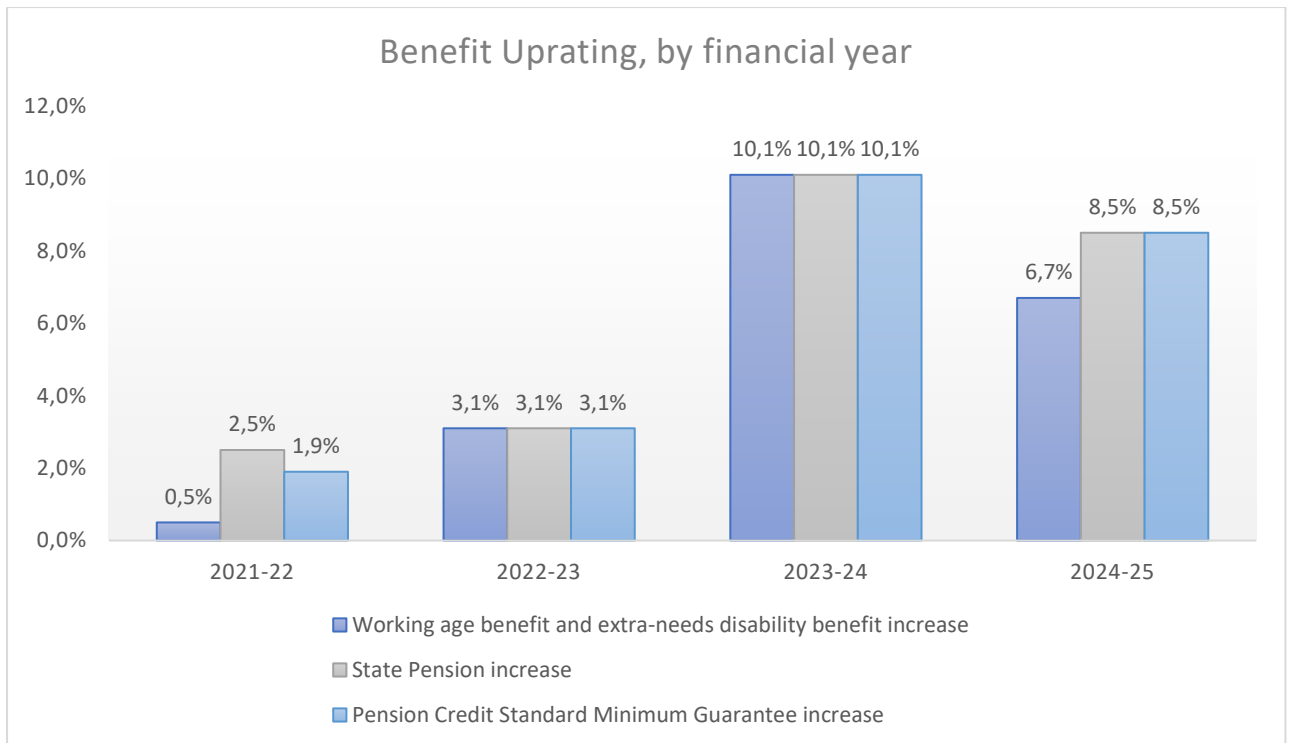


Figure 3 - Benefit up-rating, by financial year

2021-22

- For the financial year 2021/22, the Office for National Statistics published the Average Weekly Earnings (“AWE”) figure for May to July on 13 October 2020 which was -1%. The Consumer Price Index (“CPI”) figure for the year to September was published on 21 October 2020 and was 0.5%.
- From April 2021 therefore, working-age benefits and extra-needs disability benefits increased in line with the CPI for the year to September 2020 – 0.5%.
- As AWE showed no growth (the index was -1%), most State Pension rates would have been effectively frozen in 2021/22 because the Social Security Administration Act 1992 prevents SoS from bringing forward an Up-rating Order where there has been no growth in earnings. The earnings data series has been distorted by the COVID-19 pandemic.
- To avoid freezing State Pension rates, the Government introduced the Social Security (Up-rating of Benefits) Act 2020 to allow for up-rating the basic and new State Pensions (2.5%) and the Standard Minimum Guarantee in Pension Credit (1.9%).

2022-23

- For the financial year 2022/23, the Office for National Statistics published the AWE figure for May to July on 12 October and that was 8.3%. The CPI figure was published on 20 October and was 3.1%.

- From April 2022, State Pensions, benefits and statutory payments increased in line with the Consumer Prices Index for the year to September 2021. The rise in CPI for the year to September 2021 stood at 3.1%.
- The government spent around £6.6 billion in 2022/23 on increasing State Pension and benefit rates. This included:
 - Around £4.0 billion more on pensioner benefits
 - Around £2.6 billion more on working-age benefits

2023-24

- For the financial year 2023/24, the Office for National Statistics published the AWE figure for May to July on 11 October and that was 5.5%. The CPI figure was published on 19 October and was 10.1%.
- From April 2023, State Pensions, benefits and statutory payments increased in line with the CPI for the year to September 2022. The rise in CPI for the year to September 2022 stood at 10.1%.
- Due to the government commitment to the Triple Lock, the Secretary of State decided to up-rate the basic and new State pensions in line with CPI (10.1%) in 2023/24. It also extended CPI protection to those who rely on the Standard Minimum Guarantee in Pension Credit at a cost of £700 million above the statutory minimum requirement.
- The government spent around £22 billion in 2023/24 on increasing State Pensions and benefit rates. This included:
 - £13 billion more on pensioner benefits (State Pensions and Pension Credit)
 - £9 billion for other benefits (e.g. Universal Credit, disability benefits including Attendance Allowance)
- The benefit cap³ levels were also increased by the same 10.1% from April 2023. The benefit cap is a limit on the total amount of benefit an working-age household can receive.

2024-25

- For the financial year 2024/25, the Office for National Statistics published the AWE figure for May to July on 17 October and that was 8.5%. The CPI figure was published on 18 October and was 6.7%.
- From April 2024, subject to parliamentary approval, the basic and new State Pensions will be increased by 8.5%, in line with the increase in Average Weekly Earnings in the year to May-July 2023. The Standard Minimum Guarantee in Pension Credit will also increase by 8.5%, as will the weekly earnings limit in Carer's Allowance.
- Other State Pension and benefit rates will be increased by 6.7%, in line with the Consumer Prices Index for the year to September 2023.

³ 'There is a statutory obligation to review the benefit cap levels at least once every five years. There was a significant increase following a review in November 2022, as such a review is not required until November 2027..

- The Government will spend around £19 billion in 2024/25 on increasing State Pensions and benefit rates. This includes:
 - £12 billion more on pensioner benefits (State Pensions and Pension Credit)
 - £8 billion for other benefits (e.g. Universal Credit, disability benefits including Attendance Allowance)

Pensions

The Triple Lock is a UK commitment which applies to State Pensions. Under the Triple Lock, these pensions rise by the highest of the growth in: average weekly earnings (AWE), inflation measured by consumer price index (CPI) or 2.5%.

From April 2023, the UK Government uprated the basic and new State pensions in line with CPI by 10.1%. It also extended CPI protection to those who rely on the Standard Minimum Guarantee in Pension Credit at a cost of £700 million above the statutory minimum requirement.

From April 2024, subject to parliamentary approval, the basic and new State Pensions will be increased by 8.5%, in line with the increase in AWE in the year to May-July 2023. The Standard Minimum Guarantee in Pension Credit will also increase by 8.5%.

This delivers on our Triple Lock commitment to increase the basic and new State Pension in line with the highest of growth in prices, growth in earnings or 2.5%.

Devolved Administrations

Scotland

Scottish social security rates were last adjusted in respect of inflation in April 2023. Income-related benefits such as Universal Credit, Tax Credits, Employment and Support Allowance or Jobseeker's Allowance are reserved to the UK Government. Top-up payments and passported entitlements linked to the UK Government's benefits were increased in April 2023, including where this is not statutorily required. As with other Scottish Government benefits, this was at the 12 months to September 2022 CPI rate of 10.1%.

Scottish social security rates are not indexed to the cost of living specifically. Scottish Ministers are required, before the end of each financial year, to consider the effects of inflation, report on the inflation-adjusted level of most devolved benefits, and, if current rates are below that level, must bring forward legislation to increase disability and carers benefits, employment injury benefits, funeral expense benefits and the Scottish Child Payment.

Up-rating

For April 2022, the Scottish Government changed its approach and acted by up-rating all Scottish social security payments (excluding those tied to UK rates) by 6% for the financial year 2022-23. Scottish Ministers viewed the [September 2021 Consumer Price Index](#) figure of 3.1% as not representative of the increasing cost of

living in Spring 2022. These changes were legislated for through: [The Social Security \(Up-rating\) \(Miscellaneous Amendment\) \(Scotland\) Regulations 2022](#), [The Social Security Up-rating \(Scotland\) Order 2022](#) and [The Carer's Allowance Up-rating \(Miscellaneous Amendment\) \(Scotland\) Regulations 2022](#).

The Scottish Government up-rated 12 Scottish social security payments by 10.1% in April 2023 – which is the rate of the Consumer Price Index (CPI) in the 12 months to September 2022 – at a cost of around £430 million. The Scottish Child Payment was increased by 25% in November 2022, bringing forward its up-rating by four months and increasing its rate above inflation.

These changes were legislated for through [The Social Security \(Up-rating\) \(Miscellaneous Amendments\) \(Scotland\) Regulations 2023](#) and [The Social Security Up-rating \(Scotland\) Order 2023](#).

The Scottish Government has adopted the annual rate of CPI in September as the most appropriate measurement for determining up-rating of assistance in the following financial year, but retains the flexibility to use a different rate when necessary.

All benefits being delivered by Social Security Scotland and up-to-date payment rates can be found here: [Social Security Scotland - Benefits](#)

Wales

N/A - welfare benefits are not devolved to Welsh Government

Northern Ireland

The parity principle operates on the basis that NI has the same range of benefits paid at the same rates and subject to the same conditions as in GB. Changes in existing legislation, and new legislation, as far as possible, take effect at the same time in GB and NI. Underpinning the parity principle is the fact that, as people in NI pay the same rate of income tax and National Insurance contributions as those in GB, they are entitled to have the same rights and benefits as people in GB.

Up-rating

From April 2022, the NI Governments benefits, pensions and lump sum payments were increased by 3.1% in line with inflation (as indicated by the annual rise in the Consumer Prices Index (CPI) to September 2021).

From April 2023 benefits, pensions and lump sum payments were increased by 10.1% in line with inflation (as indicated by the annual rise in the Consumer Prices Index (CPI) to September 2022).

The rates of most social security benefits, pensions and lump sum payments are reviewed each year and usually up-rated in April. When the Secretary of State for Work and Pensions in Britain makes an Up-rating Order under sections 150, 150A and 151A of the Social Security Administration Act 1992, the Department for Communities in Northern Ireland (DfC) is empowered to make only a corresponding Order under sections 132, 132A and 132B of the Social Security Administration

(Northern Ireland) Act 1992. DfC has no power to set different rates of benefits and pensions for Northern Ireland in the annual Up-rating Order.

Isle of Man

The Isle of Man Government is completing a full review on how it sets benefits rates on Island, working with Treasury and Statistics Isle of Man to consider how the data compiled for the Living Wage Report can be used to compare income related benefit rates for various scenarios and circumstances, so as to take account of the difference between the rate of living wage, and the comparable applicable amount for income related benefits.

However, in the meantime, the Isle of Man Government has made a number of changes to Social Security legislation in order to support those most vulnerable to impacts of the rising cost of living. The most recent increase in benefits was in April 2023.

7. Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy, fuel, and basic food items.

The UK government recognises the challenges people are facing due to elevated costs of living, so has taken action to go further to protect struggling families. This is why we are providing total support of over £94 billion over 2022/23 and 2023/24 to help households and individuals with their rising bills. Many of these specific schemes, such as our Cost of Living Payments have been covered in previous questions in this report, namely our response to Question 5 above.

In September 2021, the UK introduced a scheme that provides financial assistance to vulnerable households to help them with essential costs such as energy and water bills, food and other essential items. This is run by local councils in England and is called the Household Support Fund. This has now been extended until March 2024. This year long extension allows Local Authorities in England to continue to provide discretionary support to those most in need in response to the significantly rising cost of living. For those who require extra support, the UK Government is providing an additional £1 billion of funding, including Barnett Formula⁴, to enable the extension of the Household Support Fund in England for 2023/24. This is on top of what we have already provided since October 2021, bringing total funding to £2.5 billion. In England this will be delivered through an extension to the Household Support Fund backed by £842 million, running from 1 April 2023 to 31 March 2024, which local authorities use to help households with the cost of essentials. It will be for the devolved administrations to decide how to allocate their additional Barnett funding.

The UK government introduced many measures to support households with high energy bills. In February 2022, the Energy Bills Support Scheme was a UK government initiative that provided financial assistance to households struggling with energy bills. This scheme offered a non-repayable £400 discount on energy bills for domestic electricity customers in Great Britain, paid over 6 months from October 2022.

In October 2022, the Energy Price Guarantee (EPG) was also introduced which limits the amount households were charged per unit of gas or electricity. It ensured that a typical household paid an average of £2,500 a year on their energy bills over the winter. This policy, alongside the Energy Bills Support Scheme, saved a typical UK household around £1,500 since October 2022, around half of energy bills, compared to undiscounted energy prices under the price cap. On 1 July, the EPG support rate increased from £2,500 to £3,000. Due to the fall in the wholesale energy prices, the Ofgem Price Cap has fallen to £1923 for the period of October – December. This means households will no longer receive an EPG discount and will instead be protected by the Ofgem's Price Cap. The EPG will remain in place as a

⁴ The Barnett formula is used by the UK Treasury to calculate the annual block grants for the Scottish government, Welsh government and Northern Ireland executive. It therefore determines the overall funding available for public services such as healthcare and education in the devolved nations.

safety net until the end of March 2024 should energy prices increase above £3,000 per year.

Taken together, support to households to help with higher bills is worth £94 billion, or £3,300 per household on average, across 2022-23 and 2023-24 which is one of the largest household support packages in Europe. High inflation erodes living standards for households, particularly impacting the most vulnerable in society. That is why the government has made it a priority to halve inflation this year on the path back to the 2% target. The Office for National Statistics has already shown that inflation is falling, it reached 6.8% in July, down from the 11.1% peak seen in October last year, and we will continue to support the Bank of England to bring inflation down.

Devolved Administrations

Scotland

In October 2021 the Scottish Government announced a £41 million [Winter Support Fund](#) to help people struggling financially over the winter and a further £80 million [Local Authority COVID Economic Recovery Fund](#) was announced in February 2022. These funds built on learning from the first year of the pandemic and encouraged delivery partners to provide emergency financial assistance alongside money advice and holistic support to prevent future hardship. A [summary of activities, learning and trends was published](#) in June 2022. An [Emergency Budget Review](#) published in November 2022 protected and prioritised support to those that need it most.

To provide immediate, direct support to households during the increased cost of living, the Scottish Government delivered a £150 payment in 2022/23 to all households in receipt of Council Tax Reduction and those in Council Tax Bands A-D, across all 32 local authorities, estimated to have helped 1.85 million households and provided overall relief to the value of over £273 million.

Recognising the intense financial pressure faced by families, and in particular low income families, as a result of the cost of living the Scottish Government doubled the final Scottish Child Payment Bridging Payment to £260 in December 2022, with up to £650 paid per child in 2022. This increased support reached almost 143,000 school age children from low income households.

In recognition of high energy bills and the pressure on household budgets, the Scottish Government provided an additional £1.2 million to [Home Energy Scotland](#), [Advice Direct Scotland](#) and [Citizen's Advice Scotland](#) to enhance the Scottish Government's advice services to support consumers seeking advice with energy bills and energy efficiency measures, and tripled the Fuel Insecurity Fund from £10 million in 2022-23 to £30 million for 2023-24 to support anyone at risk of self-disconnection, or self-rationing their energy use.

In addition, to respond to the impacts of the cost of living on those living in the rented sector, the Scottish Government introduced the [Cost of Living \(Tenant Protection\) \(Scotland\) Act 2022](#) which applied a temporary rent cap and increased evictions protections in the private, social and student accommodation rented sectors. The Act also includes safeguards for private landlords who have the option of increasing

rents above the rent cap in specified circumstances to help meet some of the increased costs associated with their let property.

Wales

In winter 2021/22 the Welsh Government introduced the Winter fuel support scheme which provided 166,780 low-income households with a £200 payment towards fuel costs at a cost of £35m.

In 2022-23, the Welsh Government provided an additional £90 million to run a second expanded Welsh Government Fuel Support Scheme. This provided more than 380,000 households with either a £200 payment towards their fuel costs, a £200 cheque or voucher or a £200 credit to a council tax account.

Since 2021, the Welsh Government has allocated over £12m to support community food organisations to tackle food poverty, provide emergency food aid and provide a wider range of services to help individuals and households maximise their income and build financial resilience.

In 2022, the Welsh Government provided £1m to support Warm Hubs as safe and warm places within the local community that people can go to keep warm during the Winter. Over 850 Warm Hubs were established across Wales, which allowed for over 117,000 people to attend the warm hubs.

In 2022, the Welsh Government provided £4 million of funding to enable the Fuel Bank Foundation to introduce a national Fuel Voucher and Heat Fund scheme in Wales. The scheme commenced in Autumn 2022 and provides direct financial support to eligible households that pre-pay for their fuel and are at risk of disconnection. This includes homes with prepayment meters and those not connected to the mains gas network. To date the Fuel bank Foundation has supported over 83,000 people through this initiative.

The Welsh Government discretionary assistance fund continues to provide emergency financial support to individuals and families experiencing extreme hardship. This includes payments for basic living costs such as food and gas/electricity. The budget in 23/24 for the Discretionary Assistance fund is £38.5m.

Northern Ireland

In 2021/22 the Department for Communities in Northern Ireland (DfC) successfully delivered the Energy Payment Support Scheme (EPSS) which saw c.272k individuals in NI receive a one-off £200 payment to help with their energy bills. The Scheme provided financial support to people on low incomes and in receipt of specified means-tested benefits administered by DfC (Pension Credit; Universal Credit; Income-related Employment and Support Allowance; Income-based Jobseekers Allowance; Income Support). DWP issued the payments through the Adhoc Payment System on behalf of DfC.

Households in Northern Ireland received a one-off payment of £600, which was paid to homes from January 2023. This consisted of:

- £400 as part of the UK government's Energy Bills Relief Scheme; and
- £200 under the Alternative Fuel Payment scheme, which was paid regardless of the type of fuel households use to heat their homes.

Unlike in the rest of the UK, which has a different energy market, the payment was made all in one go.

It was paid by the electricity supplier directly into the individual's bank account if they paid bills by direct debit. For those with a prepayment meter, a voucher was sent to the individual.

Isle of Man

The Isle of Man Government has brought in several changes to social security and social assistance systems since the 2021, with the most recent increase in social security payments implemented in April 2023. In addition to this, Isle of Man Government has funded additional funding packages to the Social Security Division in order to assist those at the highest risk of impact from the rising cost of living. These range from support with energy bills to amending legislation for those claiming Income Support and Jobseeker's Allowance to prevent vulnerable people from becoming homeless with the removal of a 'double debt' rule. More information can be found [here](#).

8. Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.

The latest statistics show that in 2021/22 there were 11.4m (17%) people in absolute poverty after housing costs in the UK. This includes 3.3m children, 6.6m working-aged adults, 1.4m pensioners, and 5.2m individuals living in a family where someone is disabled.

The proportion of people in absolute poverty after housing costs has decreased by 1.1 million people since 2017/18, from 19% (12.5m) to 17% (11.4m).

The proportion of people in families where someone is disabled who are in absolute poverty after housing costs has decreased by 2 percentage points since 2017/18. The number of people in such families has increased slightly due to an increase in the number of people in families where someone is disabled.

It is not possible to forecast poverty rates in the future as this would involve projecting forward every household's income and individual circumstances which is not possible to do with confidence.

	2017/18	2018/19	2019/20	2020/21	2021/22
All Individuals	12.5m	12.8m	11.7m	11.1m	11.4m
	19%	20%	18%	17%	17%
Children	3.6m	3.6m	3.5m	3.3m	3.3m
	26%	26%	25%	23%	23%
Working-Age	7.2m	7.6m	6.8m	6.6m	6.6m
	18%	19%	17%	16%	16%
Pensioners	1.6m	1.6m	1.5m	1.2m	1.4m
	14%	13%	13%	11%	12%
Individuals living in families where someone is disabled	5.0m	5.1m	4.9m	[x]	5.2m
	23%	23%	22%	[x]	21%*

[x] Data relating to 2020/21 is not available for more detailed breakdowns due to the impact of the Covid-19 pandemic on the quality and reliability of the data used for these statistics.

* The proportion of people in families where someone is disabled who are in absolute poverty after housing costs has decreased by 1 percentage point since 19/20. The number of people in such families has increased slightly due to an increase in the number of people in families where someone is disabled.

9. Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.

At the 2023 Spring Budget, the government announced a £101.5 million package to support Voluntary, Community and Social Enterprise (VCSE) organisations with cost of living pressures. The first portion of the funding (£76 million) is being used to deliver the Community Organisations Cost of Living Fund (CCLF), which will support people and communities under pressure. The CCLF will deliver targeted funding to support critical, frontline charities and community organisations that are struggling to meet increased demand for their services and increased delivery costs.

The priority of CCLF is to fund work supporting low-income households and individuals. Applicant organisations must offer at least one of the following critical services: food and emergency supplies, emergency shelter, safe spaces, warmth, and financial or housing advice. Organisations can apply for a grant between £10,000 and £75,000. Funding is available for the costs of delivering existing services between 24 July 2023, and 31 March 2024, and adapting or expanding services from the point of award until the end of March.

The remainder of the package - over £25m - will be used to fund measures over the next two years to increase the energy efficiency and long-term sustainability of a broader range of frontline voluntary, community and social enterprise organisations, allowing them to deliver more efficient services for individuals and communities.

During the past winter, the Government provided an £18 billion package of energy support for organisations and businesses. Charities will continue to receive support for their energy bills until March 2024 under the government's Energy Bills Discount Scheme. This is in addition to wider support to help charities with their costs, including a reduction in VAT from 20% to 5%.

Devolved Administrations

Scotland

Tackling poverty and protecting people from harm is one of three critical and [interdependent missions for the Scottish Government](#). The [Child Poverty \(Scotland\) Act 2017](#) ("the 2017 Act") sets in statute ambitious income-based targets to significantly reduce child poverty by 2030-31, with interim targets to be met in 2023-24.

The 2017 Act also sets a robust framework for action and to monitor progress. Under the 2017 Act, Scottish Ministers are required to publish Tackling Child Poverty Delivery Plans outlining actions to drive progress towards the child poverty targets, and to publish annual reports on progress made towards meeting the child poverty targets and in implementing the relevant Delivery Plan.

The Scottish Government has published two Tackling Child Poverty Delivery Plans which set out wide ranging action to drive progress. This includes action designed to influence the three key drivers of child poverty reduction: increasing income for work

and earning; reducing household costs; and maximising income from social security and benefits in kind.

The first Delivery Plan, '[Every Child, Every Chance](#)' was published in March 2018 and set out action across 2018-22. The second Delivery Plan, '[Best Start, Bright Futures](#)' was published in March 2022, and sets out action across 2022-26. The final Delivery Plan is due for publication by the end of March 2026 and will outline action for the period 2026-2031.

The Scottish Government publishes annual child poverty progress reports setting out progress toward the statutory child poverty targets and in implementing the relevant Tackling Child Poverty Delivery Plan for that period. The [latest annual report](#) was published in June 2023, covering the period 2022-23, with the [annual report published in June 2022](#) summarising key action taken across 2018-22 inclusive.

In December 2021, the Scottish Government published '[Tackling fuel poverty in Scotland: a strategic approach](#)' which outlines a comprehensive range of actions designed to tackle the four drivers of fuel poverty and help meet the ambitious targets for 2040 as set out in the [Fuel Poverty \(Targets, Definition and Strategy\) \(Scotland\) Act 2019](#). The statutory independent [Scottish Fuel Poverty Advisory Panel](#), established January 2022, oversees the implementation of the Scottish Government's Fuel Poverty Strategy, providing external scrutiny on their progress towards meeting statutory targets and collectively holding the Scottish Government to account on its delivery

On 5 June 2023 the Scottish Government published a [Cash-First Plan](#) towards ending the need for food banks in Scotland. This is grounded in human rights and outlines the nine collaborative actions the Scottish Government will take over the next 3 years to improve the response to crisis so that fewer people need to turn to emergency food parcels. These actions include establishing a new £1.8 million Cash-First Programme to improve urgent access to cash in a crisis, maintaining investment in the Scottish Welfare Fund, and continuing to invest in dignified community-led responses to food insecurity.

In 2023-24 the Scottish Government has allocated over £12.3 million for the provision of national free income maximisation support, welfare and debt advice. This is intended to maximise household resources and ensure people understand their rights and entitlements. There is a recognition that early access to advice can prevent issues from escalating, thereby reducing costs on public services and achieving better outcomes for individuals and families.

Wales

The Welsh Government remains committed to supporting advice services, recognising how these services tackle income poverty, prevent homelessness, enhance employability, and bring improvements to health and well-being of some of the most disadvantaged and marginalised members of our communities including low income households containing children. We know SAF services are making a real difference. Since January 2020, SAF services have helped 200,000 people deal

with over 920,000 social welfare problems. Those helped were supported to claim additional income of £116.6 million and debts totalling £30.8 million written off.

The Welsh Government is committed to funding initiatives that directly puts money into people's pockets. Through our national communication campaigns, we are raising the awareness of people in Wales to the range of financial support that is available to them.

We know however raising awareness is only part of the journey for some people to having extra money in their pockets this is why we fund a Claim What's Yours telephone helpline where people can get the confidential advice and support they need to claim their entitlements.

We also fund a range of free financial awareness training sessions (Dangos) for frontline workers across Wales helping them to understand the financial support that is available to those that they see in their day-to-day work.

The Welsh Government have supported the development of cross-sector food partnerships in each local authority area in 22/23 and 23/24. The funding supported the co-ordination of on the ground, food-related activity to understand and address local need and to help tackle the root causes of food poverty by maximising the effectiveness of projects and ensuring that resources are targeted at areas of greatest need.

In Wales the Consultation draft of the Child Poverty Strategy seeks to provide the framework to drive collaboration both within government and more widely across Wales to tackle poverty and help to re-balance actions towards preventing poverty while also mitigating the worst impacts of poverty. A final strategy will be published before the end of 2023.

Northern Ireland

The Make the Call Wraparound Service aims to ensure that all citizens and their families are receiving the benefits, supports and services they are entitled to. Make the Call advertising products were updated in 2022 with wording and imagery that referenced the cost of living pressures and the support that Make the Call can provide.

In 2022/23 Make the Call assisted c.12k people in accessing £55 million in additional annualised benefits. On average customers were better off by £90.39 per week. An advertising campaign launched on 3 October 2023 across TV, social media and daily & regional press to promote the Service. A further campaign is scheduled for February 2024.

The Department for Communities has been running a Social Supermarket Pilot Programme at five sites since October 2017 to offer an alternative to static emergency food provision such as food banks. A Social Supermarket provides holistic support through the provision of food alongside wraparound services to address the root causes of food insecurity. This includes debt and benefits advice, budgeting, healthy eating, cooking on a budget and training and volunteering opportunities to enhance future employability. A rolling evaluation of the programme

demonstrated the positive impact on users food security, wellbeing, self-efficacy and healthy eating. As a result the rollout of social supermarket models was approved on a co-design basis across the 11 Council areas which commenced in late 2021/22. A budget of £2m has been secured to support the continuation of this work in 2023/24.

Isle of Man

The Isle of Man Government's commitment to combatting poverty is underpinned by the Government's [Island Plan](#) to build a secure, vibrant and sustainable future for the Isle of Man. Published in January 2023, the plan lays out a range of methods by which Government will combat poverty including implementing the approved recommendations of the July 2021 Poverty Report by 2026. This includes bringing the minimum wage into line with living wage in the Isle of Man, access to free school meals for eligible households and simplifying and increasing digital accessibility to social security benefits.

10. Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.

The UK government is committed to an inclusive policy development process. As such, ministers and officials regularly engage with a variety of organisations in the public and private sector to seek their input and insights. These consultations help us gather valuable feedback and ensure that policy responses are well-informed and responsive to the needs of the people and communities impacted.

It is protocol for all regulations made about social security to be reviewed by the Social Security Advisory Committee, an independent statutory body that provides impartial advice on social security and related matters. The Local Authority Agency should also be consulted for any regulations which the department makes for social security so that the impacts on local authorities are also understood.

The Government also regularly engages with civil society which represent the views of those most affected by the cost of living crisis. Ministers and officials at the Department for Work and Pensions regularly engage with poverty and cost of living stakeholders including through a quarterly stakeholder forum chaired by a senior official and having a membership of over 10 cost of living and poverty charitable stakeholders, including Amnesty UK and UNICEF UK.

For setting our National Minimum Wage and National Living Wage levels, the Government engages in social dialogue through the Low Pay Commission. The Low Pay Commission is an independent and expert body which makes annual recommendations on the appropriate rates for the National Minimum Wage and National Living Wage, and on other wage-related issues. It is a social partnership, made up of nine Commissioners equally split between those representing employers' interests, those representing workers' interests and independent Commissioners.
Devolved Administrations

Scotland

The Scottish Government are committed to ensuring the voices and experience of people living on low incomes is central to the development, implementation and monitoring of action to tackle child poverty. To inform '[Best Start, Bright Futures' Delivery Plan](#) the Scottish Government worked with partner organisations to ensure a meaningful approach to lived experience engagement. Working with the [Poverty Alliance](#)⁵ the Scottish Government heard from community and voluntary organisations and people with direct and recent experience of living on a low income. Working through [Children's Neighbourhood Scotland](#)⁶ the Scottish Government

⁵ Poverty Alliance is an anti-poverty focused organisation which campaigns for economic equality, supports communities and informs policy development.

⁶ Operating between 2018 and 2022 Children's Neighbourhood Scotland was a place-based programme working to improve outcomes for all children and young people living in neighbourhoods with high levels of poverty.

heard from children in low income households. This was complemented by the Scottish Government's wider consultation with third and public sector organisations.

The consultation highlighted the desire for more holistic family support services and the need for greater support into quality employment, linked to the key enablers and infrastructure needed to make this possible. This, and wider feedback, has been critical in shaping the Scottish Government's offer to families. The Scottish Government will continue to engage and ensure their partners, and families themselves, help to shape the delivery of the actions in the Delivery Plan.

Since 2016, Scottish Government action to tackle food insecurity has been guided by a set of [Dignity Principles developed by a Short Life Working Group](#), which involved people with direct experience of financial crisis. Over this period, the Scottish Government have provided more than £400,000 to Nourish Scotland and the Poverty Truth Community to progress these principles in practice which has included establishing a Dignity Peer Network that supports local practice exchange, dialogue and direct experience participation. The Scottish Government's Cash-First Plan, to improve urgent access to cash in a crisis, was developed alongside a Steering Group on [Ending the Need for Food Banks](#) and a Direct Experience Reference Group.

As part of the duty within the [2019 Fuel Poverty Act](#), the Scottish Government have consulted with the Scottish Fuel Poverty Advisory Panel in respect of next steps with [the Fuel Poverty strategy](#). This has led to a set of [published recommendations](#), ranging from short to long term support measures and interventions, towards reducing fuel poverty rates in Scotland in line with the 2040 statutory targets.

Wales

The Welsh Government established a Cabinet sub committee to co-ordinate the Welsh Government's response to the Cost of Living. Its work is informed by the evidence of experts, service providers and organisations supporting people struggling with rising costs. The Sub-committee meet monthly, alternating between Cabinet-only meetings and those involving social and wider partners.

In Wales the Welsh Government has a proud history of working to ensure that the views of the people of Wales are at the centre of our decision making. Over 3,358 people with lived experience of poverty were recently engaged in the development of the draft Child Poverty Strategy for consultation. This included over 1400 children and young people and over 1300 parents and carers.

Northern Ireland

Consequent to the budget reduction and running concurrently with policy changes to the Discretionary Support scheme, NI conducted an Equality Impact Assessment on Changes to Discretionary Support; inviting responses during a 12 week period July to September 2023. Responses were received by email and via an online survey from a wide range of individuals and organisations. These responses will be used to inform a planned review of the decisions taken on the delivery of Discretionary Support.

Isle of Man

The Isle of Man Government recognises that public engagement and consultation is an integral part of developing policy and legislation. The Government regularly advertises online consultations via the 'Consultation Hub' where members of the public, businesses and any other stakeholders have the opportunity to ensure their voice is heard. These are widely advertised and offline versions are also available to widen availability of participation.