

# London's Cost of Living Crisis: Briefing ahead of London's elections for all stakeholders and policymakers.



London



## 1. London calling

This has been another tough winter for low-income Londoners. Whilst London has shown a strong recovery since the pandemic, longstanding inequalities have become more deeply embedded. Despite being the richest region in the UK, London is the most socio-economically unequal in terms of income, wealth, employment, housing costs and quality, access to social and health services, availability of safety nets, and Londoners' power to influence the decisions that affect them. London's diversity is part of its success as a global city, and makes it a great place to live, work and do business, but more must be done to reduce inequalities and improve social integration, so that Londoners relate to each other as equals.

### Key concerns

- Around **4 in every 10 people** living in London (39%) have an income **below what is needed for a minimum standard of living** - compared to 28% in the UK. 3.49 million Londoners are living in households with inadequate incomes, including 1m children. (Source: Trust for London)
- Many Londoners are struggling especially; **30% of adult Londoners have a high need for debt advice**. (Source: Money Advice and Pension Service)
- A **housing crisis** stalks the capital, over 300,000 London households are on the waiting list for social housing, rough sleeping has increased 32% in London, rents are sky-rocketing and the number of 'no-fault eviction' claims in London has risen 62% in the last year from to 11,457 for 2023 (Source: MoJ data); there are **170,000 homeless Londoners living in temporary accommodation** - this figure includes over 83,000 children, meaning on average at least **one child in every London classroom is homeless** (Source: London Councils)
- **Low paid workers in London are disproportionately women, young people, migrants, and those from black ethnic groups**; migrant workers in London face bullying, racially motivated harassment, and exploitation consistent with **modern slavery**. (Source: Rights and Risks report, GLA)
- **More than 10% of London households are in fuel poverty**, rising to 18% in parts of North East London (Source: Trust for London). And **18% of London households are food insecure**. (Source: Food Foundation)

The GLA commissioned report *Advising Londoners* (2020), noted that the need for advice services in London has increased over the past decade, with significant demand arising from preventable failures in social welfare systems, whilst advice providers face both funding and capacity challenges.

## 2. Our partnership with the GLA

London Citizens Advice network (LCA), and the London Legal Support Trust (LLST), have developed a strong partnership with the GLA, to enhance advice services available to Londoners. Funded by the GLA since summer 2022, the cost of living crisis prevention advice project (COLCPA) deploys the resources of London Advice agencies to increase the availability of advisers, to support Londoners who are facing hardship and crisis, and building capacity through "Advice First Aid" and new community partnerships. Legal Apprentice roles have also created new posts and help support a more robust workforce.

## 3. How this partnership supports Advice Networks across London

The *Advising Londoners* report noted the many challenges advice agencies face in sustaining funding and capacity, set against rising demand. Our partnership supports both networks to increase the reach and impact of social welfare advice in London, respond to the cost of living crisis, and work in partnership with community organisations. This approach is predicated on collaboration rather competitive bidding for funding, and developing new delivery models to bring advice closer to the community, respond to unmet needs and facilitate new referral pathways.

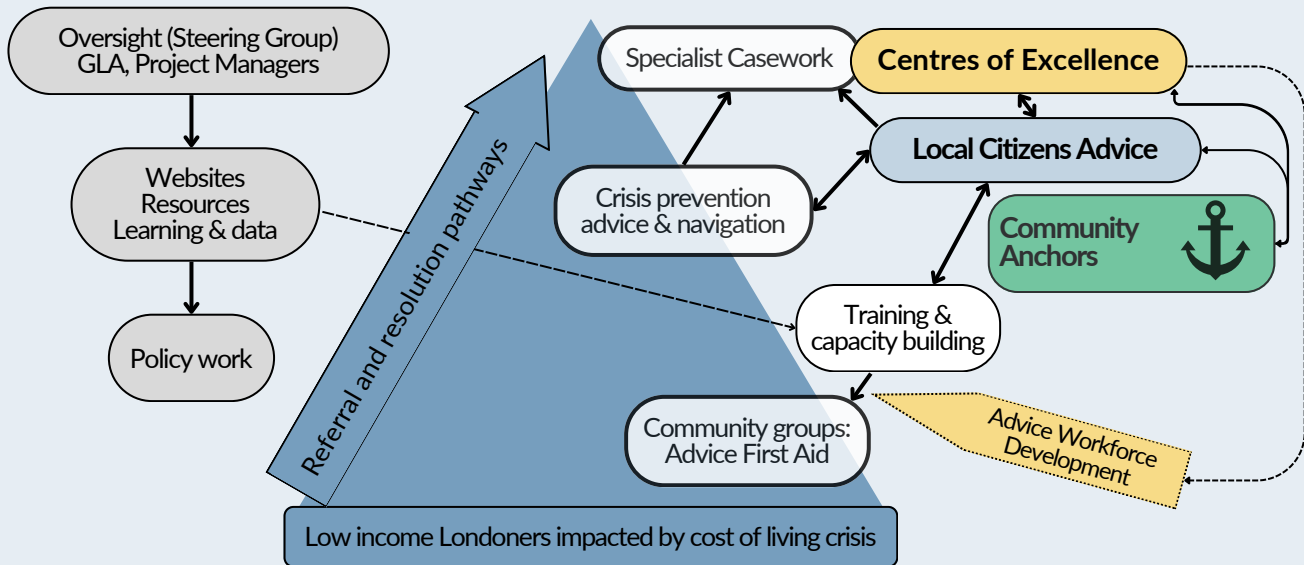
## London Citizens Advice

London Citizens Advice is a network of 28 local advice charities (LCAs) providing information, support and advice across the Capital. We work collaboratively, building on the strengths of different LCAs and our community links. The GLA project deploys 16 new crisis prevention advisers working closely with community groups, supported by a team of 5 specialist caseworkers and Citizens Advice training to frontline workers in partner organisations, faith and community groups to become "Advice First Aiders" to enhance the skills they need to support service users and triage for advice.

## London Legal Support Trust/Centres of Excellence

LLST is an independent charity that raises funds for free legal advice services in London and the South-East, supporting advice agencies with grant funding and infrastructure support. LLST's Centres of Excellence (COEx) program supports 40 advice agencies in London who provide a wide range of free social welfare legal advice services. Under the GLA partnership, LLST supports 17 COExs, and 3 community organisations to develop their capacity with Legal Apprentices, specialist solicitor advisers, and Crisis Navigation Advisers.

Both networks work together to deliver an integrated response combining generalist, specialist and community support.



## 4. Advice and community-based support makes a real difference for Londoners

The COLPCA project actively advised a total of **27,502 Londoners** (approximately 25% generalist and 75% specialist advice) between September 2022 and January 2024 and a further **11,654 Londoners attended cost-of-living project events** at which information was available, so in total **39,156 Londoners reached**. Our advice and information helps Londoners wellbeing, and **financial improvements for clients achieved were over £13m** – put back into Londoners pockets and London's economy. In addition, **62 Advice First Aid sessions were delivered to 852 people** from approximately 200 community groups, improving their capacity to support vulnerable people. We call on the Mayor to champion the work of a more sustainable advice sector.

## 5. But advice is not enough

Advice on its own, however, is not enough to tackle systemic problems and inequalities in London.

- GLA, London Councils and health bodies should **work with advice partners and civil society** to shape public services **locally**, focusing on prevention and targeting support where it is most needed.
- **Rights, regulations and standards need to be enforced**, from the living wage to landlord obligations; stronger powers for London could provide tools and incentives for fairer rents and labour markets. **Investment is urgently needed in the advice sector workforce** to sustain a skilled and robust sector to help Londoners enforce their rights.
- The levelling-up and regeneration agendas should not just be concerned with levelling-up between London and other regions, but must also **address levelling up within London**, especially housing.
- London's **business community should be brought into a fairer London agenda**, including a strong and effective **regional skills partnership**.
- GLA should **back the Joseph Rowntree Foundation/Trussell Trust Essentials Guarantee campaign**, help boroughs and housing associations tackle energy inefficient homes and offer fuel bills support.