

CIIr Alice Macdonald

Cabinet Member for Equalities, Neighbourhoods and Leisure Newington Ward

Kwasi Kwarteng MP Secretary of State for Business, Energy and Industrial Strategy 1 Victoria Street London SW1H 0ET United Kingdom

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Date: 2 February 2022

By email only: enquiries@beis.gov.uk

Dear Secretary of State,

Re: Energy bills and the cost-of-living crisis

The country is facing a cost-of-living crisis, which is having a significant impact on Southwark residents. The Government's decision to axe the Universal Credit uplift last October hit many residents in Southwark hard. We saw the number of claimants more than double during the pandemic, and recent energy price spikes mean that many low-income households are struggling with their bills this winter.

Southwark residents have already suffered because of the pandemic. A survey the council conducted in September 2021 found that 53 per cent of council tenants and leaseholders saw a reduction in their household income during the pandemic. The same survey found that the majority of those whose income was lower as a result of the pandemic went without luxuries, while 16 per cent went without basics, including food and heating.

The Council have used temporary funding from the Government's *Household Support Fund* to launch the *Southwark Council Energy Support Fund*, which will offer vital support to struggling families in the form of one-off payment of between £50 and £75 during January and February 2022. As a council and voluntary sector organisations working in Southwark through our Community Support Alliance, we are fully committed to doing what we can to support people in need. Through the fund, we have already issued support to more than 9,000 residents.

However, the funding you have offered is not a long-term solution and is nowhere near enough to address the need in our borough, particularly in light of the Government's decision to cut Universal Credit. As funding has so far only been offered until March, this is a short-term fund and does not address the underlying issues. We believe that councils, working alongside local community and voluntary organisations, are best placed to identify those residents who are most in-need financially and to deliver additional support. We would therefore ask that the Government continue the provision of this funding on a sustainable, long-term basis.

I noted the Prime Minister stated his desire to tackle the cost of living and help people with their energy costs at Prime Minister's Questions last week. However- we do not need words – we need action.

We urgently need the Government to put the measures in place that will tackle the cost of living crisis many of our residents are facing. That must include working with providers to prevent energy costs from spiralling further, particularly with upcoming changes to the price cap. If action is not taken soon, we are all concerned that increasing numbers of residents in Southwark and across the country will need to need to choose between heating their homes and feeding their families.

Kind regards,

Cllr Alice Macdonald

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Cabinet Member for Equalities, Neighbourhoods and Leisure

Cris Claridge, Chair- Southwark Group of Tenants Organisations (SGTO)

Chris Price, Chief Executive- PECAN

Cathy Deplessis, Director- Southwark Pensioners' Centre

Christopher Green, Chief Executive Officer- Citizens Advice Southwark