



House of Commons
London
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Christians Against Poverty
Jubilee House
1 Filey Street
Bradford
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18 September 2024

Dear Ministers in the Department for Work and Pensions,

We write to you as organisations in the debt advice and anti-poverty sector, as well as churches that support the work of these organisations, to urgently highlight a pressing issue that is increasingly affecting low-income households across the UK: deficit budgets. Recent research from Christians Against Poverty (CAP) has shown that 22% of UK adults are struggling with budgets that fail to cover essential costs.

The briefing paper, *Deficit budgets: The cost to stay alive* (capuk.org/deficit-budgets) engages with individuals living with deficit budgets and those supporting them. It is evident that the cost of living has become untenable for many, leading to severe consequences such as deteriorating mental and physical health, strained relationships, and increased isolation. This issue is not only a personal crisis but also a societal one, placing increased pressure on health and social care systems.

The findings of the latest research indicate that many people are resorting to desperate measures to survive. They are skipping meals, limiting utility usage, borrowing informally, and even selling possessions. This is unsustainable, both for the individual and the debt advice sector, and highlights the urgent need for systemic intervention. For far too many, the support offered by the debt advice sector is merely a temporary fix for a much deeper problem.

Given these challenges, and ongoing pressure in the debt advice sector, we urge the Government to consider the following recommendations:

Address Inadequate Incomes:

- Review the rate of social security and minimum wage to ensure a floor is set so that people receive a protected minimum amount ensuring no one is pushed into deprivation.
- Develop a strategy to guarantee that every individual and household across the UK receives the social security they are entitled to.

There are many more policy recommendations found in the paper. We would like to invite you to meet with us to hear more about this challenge and explore possible solutions to this pressing issue.



Thank you for your attention to this critical issue.

Yours sincerely,

Stewart McCulloch
UK Chief Executive Officer, Christians Against Poverty

- Acts 435
- APLE Collective
- Baptists Together
- Caritas Salford
- Caritas Shrewsbury
- Caritas Social Action Network
- Community Money Advice
- Debt Justice
- Independent Food Aid Network
- Just Money Movement
- Methodist Church
- Money and Mental Health Policy Institute
- Poverty Truth Network
- The Besom in Camberley
- The Salvation Army UK and Ireland
- United Reformed Church

