

Nowhere Left to Cut: The Impact of the Cost of Living Crisis on Disabled People

September 2022

1. Why the cost of living crisis disproportionately affects disabled people

Times are tough for everyone. The cost of living crisis is placing considerable pressure on household budgets across the UK. However, **for disabled people the cost of living crisis is turning into a cost of living emergency.** Even before energy prices and the cost of food and petrol started to soar, many disabled people were struggling on low incomes. One third of disabled people are estimated to live in poverty¹, and only 52% of disabled people are in work.² Leonard Cheshire research also shows that **52% of disabled people report they have experienced extra costs or bills as a result of their disability or health condition,** rising to more than two-thirds of people with mobility needs, chronic pain or dexterity conditions.³ This means that many disabled people simply do not have access to additional income to pay for the rising cost of living.

Disabled people often have higher energy costs due to the need to charge specialist equipment like wheelchairs, mobility scooters and ventilators, as well as a need to continuously have the heating on to help to manage the pain caused from specific health conditions like arthritis or neuropathy caused by diabetes. Due to a lack of accessible public transport in some areas of the country, disabled people are more reliant on using taxis or their own adapted vehicles. High petrol prices means that the cost of travelling in a car has significantly increased, again putting further pressure on household budgets.

Earlier this year, Leonard Cheshire published concerning research showing that even before the energy price increases in April 2022, disabled people were struggling with the rising cost of living. This is resulting in:

- **28% of disabled people being unable to afford to keep their home warm, (rising to 1 in 3 people with dexterity conditions or mobility needs, and 45% of those with chronic pain conditions)**
- **25% of disabled people missing meals**
- **30% of disabled people borrowing money from family and friends**
- **1 in 10 disabled people – or 600,000 individuals – having £10 or less to live on each week after housing costs and utility bills have been paid.⁴**

The soaring cost of living is also having a negative impact on disabled people's mental health. **55% of disabled survey respondents in February 2022 reported that they felt anxious, depressed and hopeless about their financial problems.** The financial situation is continuing to worsen, with potentially devastating consequences.

¹ <https://www.jrf.org.uk/data/comparing-poverty-rates-disabled-and-non-disabled-people>

² <https://commonslibrary.parliament.uk/research-briefings/cbp-7540/>

³ Savanta ComRes interviewed 1,207 working age disabled adults (18-64) in the UK between 17 to 21 February 2022, for Leonard Cheshire, about their experiences in the previous 12 months.

⁴ <https://www.leonardcheshire.org/about-us/our-news/press-releases/rising-costs-are-catastrophe-disabled-people>

2. Rising energy prices and fuel poverty

When Leonard Cheshire published its research in April 2022, energy bills were predicted to increase by £693 to £1,971 a year on average, due to the price cap increase driven by the rise in global gas prices.⁵ Ofgem subsequently increased the energy price cap to £3,549 per year for an average household from 1 October 2022⁶ with wide predictions the cap would rise by thousands by April 2023.⁷ Analysis by Scope and National Energy Action indicated that when energy bills hit £3,000 a year, **2.1 million disabled households will be living in fuel poverty**.⁸ The cost of living crisis is fast becoming a cost of living emergency, which needs further urgent action from the government to prevent disastrous impacts on disabled households this winter.

3. How disabled people are being affected by the cost of living crisis

Leonard Cheshire has been gathering feedback from our networks via a survey, one-to-one interviews and focus group discussions to better understand the impact of soaring energy, food and petrol costs on the daily lives of disabled people. The effects of the cost of living crisis are already being felt across four main areas: heating and energy, eating, transport, and mental health.

a) Heating and energy

Disabled people have shared with us the difficulties they are already experiencing in heating their homes, using the energy they need to charge specialist equipment and to undertake everyday tasks. Many shared with us that they were not using their heating, and were instead sitting under duvets, or wearing multiple layers of clothes to keep warm. Others shared that they were afraid to use hot water to shower or to have a bath due to the cost. Instead, disabled people are washing in cold water or are using warm water from their kettles to wash themselves. One person shared with us:

“From just being able to survive with creative cost cutting, it has now become impossible. Now choices have to be made because of the exorbitant cost of energy such as only eating foods that do not need cooking, not using hair dryers to dry hair and feet, wearing the same clothes for many days so as to limit the need to use the washing machine, as well as washing and showering in cold water.”

Another person shared a specific example of why their energy costs are higher due to their disability. They use a mobility scooter, which needs charging twice a week at a cost of £90 a month. This cost keeps increasing with the rising cost of energy, meaning that the individual is cutting down on how many times a month they charge their mobility scooter. The direct result of this is that the individual is not able to leave their house on some days as their scooter is not charged. This has caused them to cancel medical appointments and become socially isolated as they are unable to regularly leave their home.

⁵ <https://www.ofgem.gov.uk/publications/price-cap-increase-ps693-april>

⁶ <https://www.ofgem.gov.uk/publications/ofgem-updates-price-cap-level-and-tightens-rules-suppliers#:~:text=From%201%20October%20the%20equivalent,charge%20of%2046p%20per%20day>

⁷ https://inews.co.uk/news/energy-cap-could-rise-above-6000-from-april-according-to-latest-grim-prediction-1806531?ico=in-line_link

⁸ <https://www.scope.org.uk/media/press-releases/fuel-poverty-set-to-double/>

For some people, particularly those with chronic pain or dexterity conditions, turning off heating is not a viable option as cold temperatures can severely worsen their disability. 36% of working age disabled people (3.3 million) report they need to keep heating on more often due to their disability, rising to 61% of people with dexterity conditions, 56% chronic health condition, 55% of those with chronic pain conditions and 54% mobility restrictions.⁹

b) Eating

With a higher proportion of disabled people's incomes being spent on energy bills, many disabled people are left with very little income to spend on food. According to charity, the Trussell Trust, 62% of working age people referred to their food banks in early 2020 were disabled.¹⁰ Disabled people are telling us that they are skipping meals as they cannot afford three meals a day. Others have voiced that they cannot afford healthy food, with one person sharing that they could only afford to buy bread and cereal. This unhealthy food was affecting their diabetes, which led to a vicious cycle of needing to attend hospital appointments more regularly, which cost a lot of money to attend due to high transport costs, which in turn left them with less money to buy fruit, vegetables or specialist food to manage their diabetes.

“The cost of living has meant my grocery bill has doubled. I am now choosing whether to buy basics of milk, bread and not opting to buy any fruit. This is having an impact on my health and wellbeing.”

“I've always budgeted well all my life, but now finding it very hard and running out of money for food. My son, who I care for, needs vital healthy food, but with the increase of food, petrol and utilities, this is impossible.”

“I have to choose between heating or eating. I am eating one meal a day. I also have lots of electrical machinery that always has to be connected to electricity, this in turn makes my energy bills higher leaving little money to live on.”

“All my meals are cheap. Breakfast is free - I don't have any. But this government doesn't seem to realise that benefits are so measly that there's nowhere left to cut back.”

c) Transport

High transport costs are exacerbating the pressures on household finances. Many disabled people with mobility impairments face barriers using public transport like buses and trains. This leaves them heavily reliant on using taxis or their own adapted vehicles. 1 in 5 disabled survey respondents in February 2022 reported having to pay for taxis because they cannot use public transport or drive.¹¹ Rising petrol costs have pushed the costs of using transport sky high, with disabled people telling us that they simply can no longer afford to pay for transport. This has led to disabled people missing important medical and physiotherapy appointments, as well as individuals no longer being able to participate in social activities.

⁹ Savanta ComRes interviewed 1,207 working age disabled adults (18-64) in the UK between 17 to 21 February 2022, for Leonard Cheshire, about their experiences in the previous 12 months.

¹⁰ State of Hunger report, Trussell Trust, 2021 <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

¹¹ Savanta ComRes interviewed 1,207 working age disabled adults (18-64) in the UK between 17 to 21 February 2022, for Leonard Cheshire, about their experiences in the previous 12 months.

One person told us they were no longer able to visit their family, as it cost over £100 for a trip to visit them.

“PIP used to be used for taxis if I wanted to go out with a carer swimming or to the cinema. I also used it for taxis to and from hospital appointments which is at least 25 pounds each time. My visits to the hospital have increased as illnesses get worse. I cannot use it to go out now as I have to charge my scooter daily. I spend most of my time in bed to stop me having to put the heating on.”

“I'm a wheelchair user so using public transport is difficult, especially as the closest accessible station is 30 minutes away and there are very few buses. I have to have a large car to take my wheelchair, but it costs over £100 to fill, meaning that I go out less and less. This isolation has a clear and significant negative impact on my mental health.”

Disabled people are telling us that not being able to use transport is leaving them socially isolated and is having serious impacts on their health and wellbeing. It is also having an impact on disabled people who employ their own Personal Assistants, as some staff members cannot afford to fill up their cars and travel to work. This again results in vital social care and support being taken away from disabled people, affecting individuals' independence and quality of life.

“The expense that is having most impact is the cost of diesel. I have a Personal Assistant (PA) and they are struggling to manage as the cost of filling up their vehicle is over £100. They are seriously considering their position and may resign.”

d) Mental Health

Unsurprisingly, the financial pressures outlined are having a profound effect on disabled people's mental health. In addition to outlining how the cost of living crisis is causing chronic levels of stress and anxiety amongst disabled people, distressingly, some people shared with us that they were having suicidal thoughts. One person shared that they were “petrified” of what will happen when the weather gets colder as they cannot afford to keep their heating on. They shared that cold weather triggers a great deal of pain for them as they have peripheral neuropathy and were dreading a winter of living with pain. Another person explained how she runs a support group for people living with complex regional pain syndrome, which is a condition that causes constant severe pain, colloquially known as the ‘suicide disease’. Cold weather is especially difficult for sufferers as it triggers even greater pain flares. Several individuals she supports have shared that they're terrified that if they can't heat their homes this winter their pain will become so severe that they won't want to continue living.

These distressing examples provide just a snapshot of the ways in which disabled people have become increasingly desperate and impacted by rising costs.

4. Government action to date

In September 2022 the government announced further support for households via the Energy Price Guarantee (EPG), with the projection that a typical household would pay an average

£2,500 a year on their energy bill, for the next 2 years, from 1 October 2022¹². However, the **government's universal support offer does not account for the higher energy usage of many disabled households**, leaving many facing a desperate winter ahead. Furthermore, the government has revised its eligibility for the Warm Home Discount Scheme¹³, which entitles disabled people on low incomes to £150 to help with energy bills over the winter. However, the revision of the eligibility criteria means that 290,000 disabled people claiming Personal Independence Payments (PIP) will no longer receive this support.

In May 2022, the former Chancellor, Rishi Sunak announced a £15 billion package of measures to ease the burden of the rising cost of living. This included:

- £400 for all households to help with energy bills.
- £150 council tax rebate for people living in properties in bands A-D.
- £650 for claimants on low incomes including those claiming Universal Credit income related Jobseekers Allowance and income related Employment Support Allowance (ESA).
- £150 for disabled people claiming benefits like PIP, Scottish Disability Benefits, Disability Living Allowance and Attendance Allowance.¹⁴

Although all disabled people are entitled to the £400 of support with their energy bills and the £150 council tax rebate, disabled people only claiming PIP will currently receive just an additional £150 of support this winter. Disabled people claiming contributions-based ESA will receive no additional support.

Leonard Cheshire research demonstrates that even with the government support outlined thus far, disabled households with higher energy usage who only claim PIP, will need to **find an additional £1005.70 a year**¹⁵ for energy bills alone, the equivalent of £19.34 per week. Research from February 2022 showed that 1 in 10 (more than 600,000) disabled people had £10 or less to live on each week after housing costs and utility bills have been paid. Without further government support, many households will not be able to find the additional money needed for energy bills and will face an impossible winter ahead.

The government's assumption is that not all people claiming PIP will be on a low income. However, in Leonard Cheshire's experience many disabled people who are on low incomes or not in work only claim PIP as a disability benefit due to concerns about engaging with Jobcentre Plus, or living in a household where a partner works part time – affecting eligibility for other benefits like Universal Credit. In the long term more research is needed to build a greater understanding of the incomes and energy consumption of disabled people claiming PIP. However, in the here and now awarding PIP claimants just £150 only covers the loss of the Warm Home Discount and is simply not enough to enable disabled people to weather the cost of living storm this winter.

Research by the Financial Fairness Trust shows that disabled households are disproportionately worried about their financial situation compared to other households

¹² <https://www.gov.uk/government/publications/energy-bills-support/energy-bills-support-factsheet-8-september-2022>

¹³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1065787/Warm_Home_Discount_reform_final_stage_Impact_Assessment.pdf

¹⁴ <https://www.gov.uk/government/publications/cost-of-living-support/cost-of-living-support-factsheet-26-may-2022>

¹⁵ See Appendix

receiving the additional Government financial support.¹⁶ With the costs of food, petrol and other essentials set to rise even further with inflation, the government needs to act urgently and put in place additional support to stop the cost of living crisis becoming a public health emergency for many more disabled people.

5. Leonard Cheshire's recommendations

The current support package is a drop in the ocean to the scale of support needed to support disabled people through the cost of living crisis. Leonard Cheshire recommends that the government urgently takes the following short term and medium term actions.

In the short term the government must:

- **Increase benefits in line with inflation.** It is essential that benefits (including means tested benefits like Universal Credit and disability benefits like PIP and ESA) rise in line with inflation immediately, rather than waiting for the annual uprating exercise in April 2023. With inflation now at 10.1% and expected to rise further by the end of the year, the April 2022 3.1% benefits uplift equates to a real-terms cut to benefits and will only worsen this situation for disabled people. While inflation is still high the government should introduce quarterly reviews and changes to benefits to ensure that they keep pace with inflation.
- **Reverse the changes to the eligibility criteria of the Warm Home Discount Scheme,** ensuring that the 290,000 disabled people who have been removed from the scheme can access its support this year. The adequacy of the level of support currently provided (£150) should also be reviewed.
- Work with Ofgem and energy companies to **create a social energy tariff** for disabled people with high energy usage due to their disability. The social tariff should also be offered to people using pre-payment meters.
- Ensure disabled people are prioritised in any **financial support packages** due to the disproportionate impact of the cost of living crisis on disabled people.

In the medium term the government should:

- **Conduct research with people claiming PIP** to gain an understanding of their incomes and energy usage. This would prevent disabled people falling between the cracks of government policy in the future, and assumptions being made without evidence on disabled people's energy usage.
- Ensure that disabled people, including those claiming PIP, are entitled to **free insulation** for their homes to increase energy efficiency and ease energy costs. This should include homes which are privately owned or rented.
- **Prioritise support for disabled people to address transport costs,** through concessionary travel schemes, accessible public transport and targeted support to meet net zero targets.

For more information on this briefing please contact
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¹⁶ 'Under Pressure: The Financial Wellbeing of UK Households in June 2022', abrdrn Financial Fairness Trust. Figure 11. <https://www.financialfairness.org.uk/docs?editionId=e2e69bf8-2b51-4ee1-bf44-a53df25cc775>

Appendix: Leonard Cheshire calculations

Leonard Cheshire research demonstrates that even with the government support outlined thus far, disabled households with higher energy usage who only claim PIP, will need to **find an additional £1005.70 a year**, the equivalent of £19.34 per week.

Research from February 2022 showed that 1 in 10 (more than 600,000) disabled people had £10 or less to live on each week after housing costs and utility bills have been paid.

The calculations below show energy costs alone, and do not account for the inflationary rise in transport and food costs. We believe the Government must act immediately to stop the cost of living crisis becoming a public health emergency for many more disabled people.

Disabled person drawing on Universal Credit	Disabled person not drawing on Universal Credit, but eligible for Warm Home Discount (WHD)*	Disabled person not drawing on Universal Credit, and not eligible for Warm Home Discount (WHD)*
High energy users:		
<ul style="list-style-type: none"> £3483.10 average cost for high energy users, based on Energy Price Guarantee from 1 October 2022** £1777.40 average cost for high energy users, based on cap pre-April 2022*** £1705.70 Additional energy costs in October 2022 compared to pre-April 2022 		
Government and wider support to date:		
£400 All households energy bills	£400 All households energy bills	£400 All households energy bills
£150 Council Tax Rebate	£150 Council Tax Rebate	£150 Council Tax Rebate
£650 Universal Credit	-	-
£150 Disability payment	£150 Disability payment	£150 Disability payment
£150 Warm Home Discount	£150 Warm Home Discount	-
= £1500	= £850	= £700
Additional costs for a disabled person with high energy usage since April 2022, after government support:		
£97.50 surplus to help meet other inflationary costs	£855.70 extra to find per year (since April 2022) (Or £16.45 per week)	£1005.70 to find per year (since April 2022) (Or £19.34 per week)

* The government has [revised](#) its eligibility for the Warm Home Discount Scheme, which entitles disabled people on low incomes to £150 to help with energy bills over the winter. However, the revision of the eligibility criteria means that 290,000 disabled people claiming PIP will no longer receive this support.

**Leonard Cheshire research conducted by Savanta ComRes in February 2022 shows that 36% (3.3 million) of working age disabled people report they need to keep heating on more often due to their disability, rising to 61% of people with dexterity conditions, 56% chronic health condition, 55% of those with chronic pain conditions and 54% mobility restrictions. We can therefore project that this cohort may be classed as 'high energy users', using more energy than the 'average household' by which government and Ofgem energy cap projections are based. [British Gas](#) bases its 'High' users on an average annual consumption of: Gas = 17,000 kWh and Electricity = 4,300 kWh. Under the government's new Energy Price Guarantee the average unit price for dual fuel customers paying by direct debit will be limited to 34.0p/kWh for electricity and 10.3p/kWh for gas, inclusive of VAT, from 1 October. Average standing charges for customers on default tariffs will remain capped at 46p per day for electricity and 28p per day for gas, for a typical dual fuel customer paying by direct debit.

*** Based on pre-April Ofgem cap Gas = 4.1p per kwh and Electricity = 20.8p and calculated on a higher user average of Gas = 17,000 kWh and Electricity = 4,300 kWh.