

A snapshot of poverty in Winter 2023

SEFYDLIAD
bevan
FOUNDATION

February 2023



About the Bevan Foundation

The Bevan Foundation is Wales' most influential think-tank. We create insights, ideas and impact that help to end poverty and inequality. We are independent, informed, inspiring and inclusive in everything we do.

As an independent, registered charity, the Bevan Foundation relies on the generosity of individuals and organisations for its work.

Acknowledgements

This document forms part of a broader project of work developed in collaboration between the Bevan Foundation and the Joseph Rowntree Foundation. The Bevan Foundation would like to thank the Joseph Rowntree Foundation for their ongoing support.

How you can help

Hundreds of people and organisations across Wales enable the Bevan Foundation to speak out against poverty, inequality and injustice. We would not exist without their support.

To make Wales a nation of prosperity for all, where everyone can fulfil their potential no matter who they are or where they live, please join our community of supporters.

Your support and that of others makes a difference to us and a difference to Wales.

Find out more at <https://www.bevanfoundation.org/support-us/individuals/> or email info@bevanfoundation.org to find out what you can do

Cover photo: Stock image from Shutterstock

Copyright Bevan Foundation
Bevan Foundation, 145a High Street, Merthyr Tydfil CF47 8DP
info@bevanfoundation.org www.bevanfoundation.org

Registered charity no. 1104191

Company registered in Wales no. 4175018

Contents

1. Introduction and summary	1
1.1 Key findings.....	1
1.2 About this briefing	2
2. The impact of the cost-of-living crisis in January 2023 – a national overview.....	3
2.1 Living standards	3
2.2 Access to essentials.....	3
2.3 Debt.....	5
2.4 Housing	6
2.5 Confidence in the future	7
3. The unequal impact of the cost-of-living crisis in January 2023	9
3.1 People in receipt of benefits	9
3.2 Disabled people.....	10
3.3 Housing tenure.....	12
3.4 Households with children	13
3.5 Age.....	14
3.6 Unpaid carers.....	15
4. Health.....	17
4.1 The impact of the crisis on people’s health.....	17
4.2 Reasons as to why people’s financial position has negatively affected their physical/ mental health	18
5. Conclusion.....	20

1. Introduction and summary

The Bevan Foundation's *Snapshot of Poverty* series is a vital tool for anyone who wants to understand poverty in Wales. This is the fifth report published as part of our series. With high inflation dominating the headlines our latest *Snapshot* takes a deeper look at who is being pushed into severe hardship by rising living costs. The survey also examines the impact of surging costs on people's health and the possible reasons for it.

This report is divided into three sections. The first section sets out to provide an overview of how people in Wales are managing rising costs. The second section looks in greater detail at the experiences of the groups that are being most affected by rising costs. The final section explores the impact of the cost-of-living crisis on people's health.

1.1 Key findings

The latest *Snapshot* survey contains some good news. There has been no significant national level deterioration in how households in Wales are managing with rising living costs nor in the number of people in debt, since the publication of our last *Snapshot of Poverty* report in July 2022.¹ This is perhaps an unexpected finding. Costs have continued to rise over the autumn and into early winter,² while incomes have struggled to keep pace.³

This does not mean that the grip of the cost-of-living crisis on Wales is easing. There has been no improvement in national level data on the impact of the crisis. This means that very high numbers of families in Wales are facing considerable financial hardship through this winter.

Across Wales:

- More than one in eight households (14 per cent) either sometimes, often or always do not have enough for all the basics.
- Large numbers of people are going without essentials including four in ten going without heating in their home and one in four eating smaller meals or skipping meals in their entirety.
- Debt is a significant problem with 28 per cent of people borrowing money between October 2022 and January 2023 and 13 per cent being in arrears on at least one bill.

¹ Bevan Foundation, *A snapshot of poverty in summer 2022* (July 2022) available at -

<https://www.bevanfoundation.org/resources/a-snapshot-of-poverty-in-summer-2022/>

² CPI inflation peaked at 10.7% in November 2022; Office for National Statistics, *Consumer price inflation, UK: November 2022* available at -

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/november2022>

³ Median earnings of all employees in Wales were 6.7% higher in October 2022 than in October 2021; Office for National Statistics (2022) *Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted*. November 2022. Available at -

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/realtimetypeinformationstatisticsreferencetableseasonallyadjusted>

- More than one in ten people (11 per cent) are concerned about the prospect of losing their home over the next three months with some indication that mortgage holders are becoming increasingly concerned.

The cost-of-living crisis is not affecting everyone in Wales equally. The extent of the hardship faced by some groups in Wales is worrying. Among the groups that are being most significantly affected are:

- **People in receipt of benefits** – people on Universal Credit are five times as likely to report that they sometimes, often or always struggle to afford the basics as the general population.
- **Disabled people whose condition limits them a lot** - over half (52 per cent) have gone without heating in their home over the past three months.
- **Social renters** - nearly half (46 per cent) report that they have had to cut back on food for themselves or skip meals in the three months to January 2023.
- **Households with children** - around twice as likely to be in debt as a result of the cost-of-living crisis as households with no children.
- **Adults under the age of 65** - twice as likely to report that their household sometimes, often or always struggled to afford the basics as households over 65 years old.
- **Unpaid carers** - significantly more likely to have borrowed money between October and January than people who are not carers.

The cost-of-living crisis is affecting people's health:

- Nearly half of people in Wales (48 per cent) report that their mental health is being negatively affected by their financial position.
- Three in ten report that their physical health has been negatively affected by their financial position.
- A combination of going without essential goods and services, and broader factors such as an inability to participate in hobbies are having an impact on people's health.

1.2 About this briefing

All figures quoted in this briefing unless otherwise stated are from YouGov Plc. The total sample size was 1,116 adults. Fieldwork was undertaken between the 16th and 20th of January 2023. The survey was carried out online. The figures have been weighted (unless specified otherwise) and are representative of all Welsh adults (aged 16+).

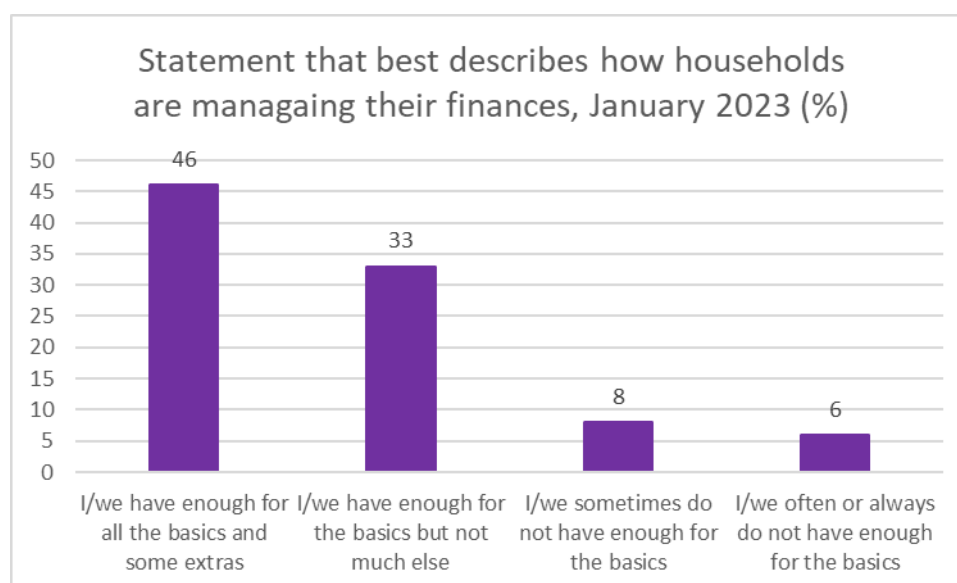
2. The impact of the cost-of-living crisis in January 2023 – a national overview

There has been no significant deterioration in the national level data as to how households in Wales are managing the pressures of the cost of living crisis since our last survey in July 2022. This finding is perhaps surprising given that the period between surveys coincides with the highest rate of inflation for 40 years and unprecedented energy costs. The reasons cannot be deduced from the data: it may be that the additional cash support provided to households by all tiers of government has played a role, as well as some managing households adjusting to higher prices.

What is clear is that, despite the national situation not deteriorating further, very large numbers of people in Wales are trapped in severe financial hardship this winter. This section sets out to explore the extent of this hardship in greater detail.

2.1 Living standards

More than one in eight Welsh households (14 per cent) either sometimes, often or always do not have enough for all the basics. A further third report that whilst they do have enough for all the basics, they don't have enough money to afford much else. When both figures are combined it shows that nearly half of all households in Wales (47 per cent) struggle to afford anything beyond day-to-day items.

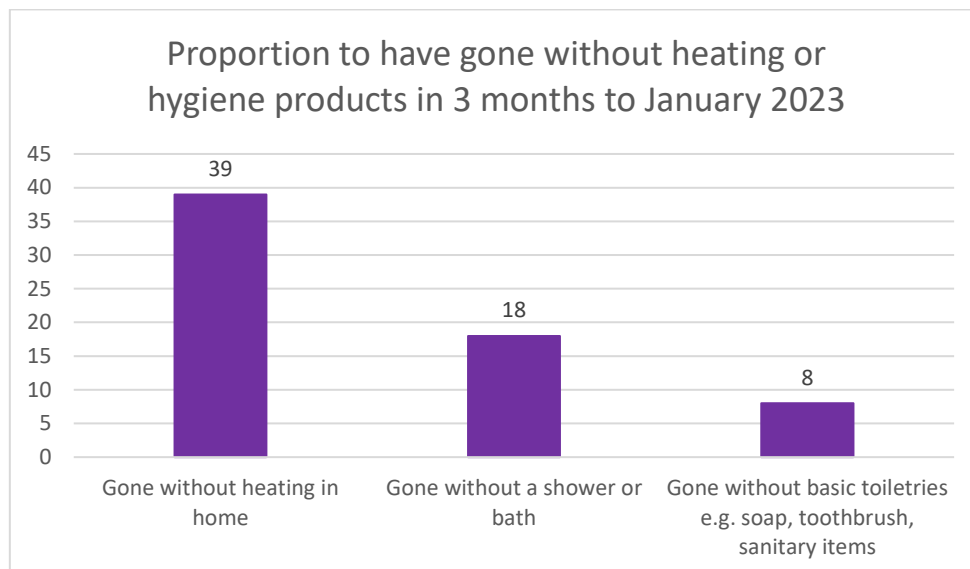


2.2 Access to essentials

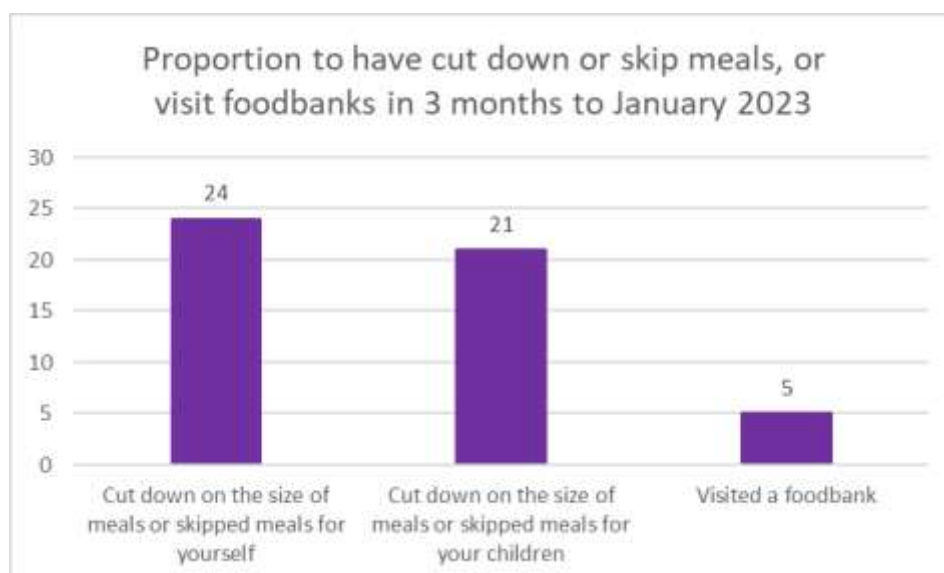
To get a sense of how difficult people are finding the challenge of affording the cost of everyday essentials the Bevan Foundation has added a new question to our latest survey. The question asked respondents whether they had been unable to afford access to certain goods or services.

Perhaps unsurprisingly heating is the household essential that the largest proportion of people in Wales have gone without in the three months to January 2023. A staggering four in ten people (39 per cent) reported that they had gone without heating in their home at some point over this period.

At the same time, nearly one in five (18 per cent) reported that they had gone without a shower or a bath whilst nearly one in ten (8 per cent) had gone without basic toiletries such as soap, toothbrush, or sanitary products.

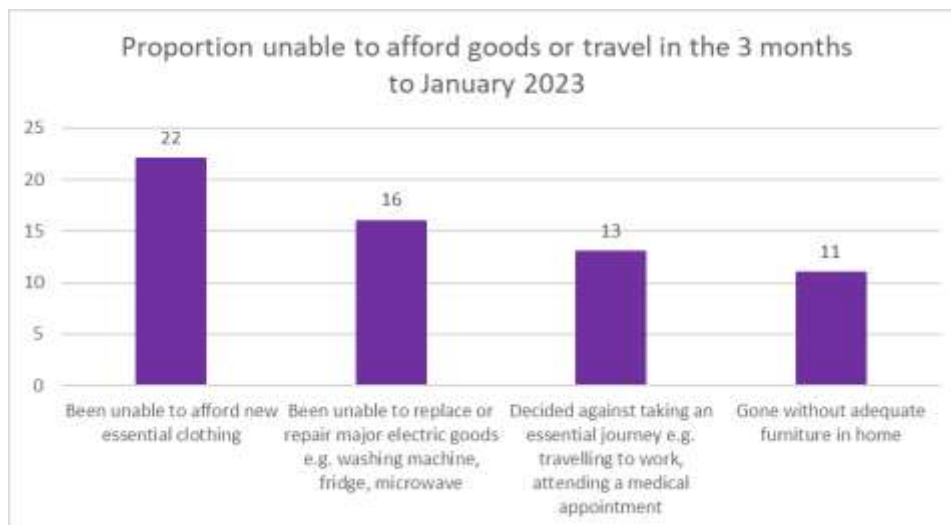


Food is another key essential that many have struggled to afford over the past three months. A quarter of respondents (24 per cent) reported that they had cut down on the size of their own meals or had skipped a meal entirely, with one in twenty (5 per cent) reporting that they had visited a foodbank. On top of this, a fifth (21 per cent) of respondents living in a household with a child reported that they had cut back on the size of their child's meal or that their child had been forced to skip a meal.



For many, the difficult choices they have faced this winter have extended beyond heating or eating. A fifth (22 per cent) of survey respondents report that they have been unable to afford new essential clothing with 16 per cent reporting that they had been unable to replace or repair major electrical goods such as washing machines, fridges or microwaves. Others have decided against taking essential journeys with 13 per cent

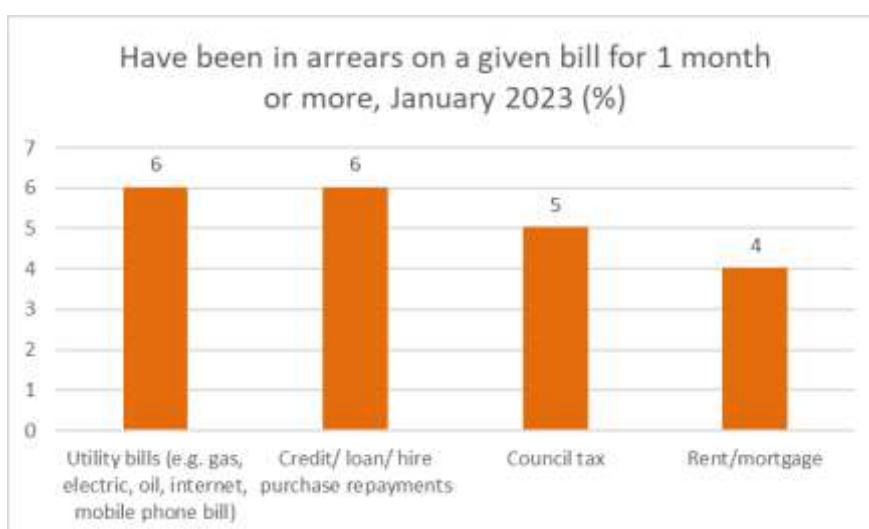
reporting that they had decided against making trips such as travelling to work or to a medical appointment, with 11 per cent having gone without adequate furniture in their home.



2.3 Debt

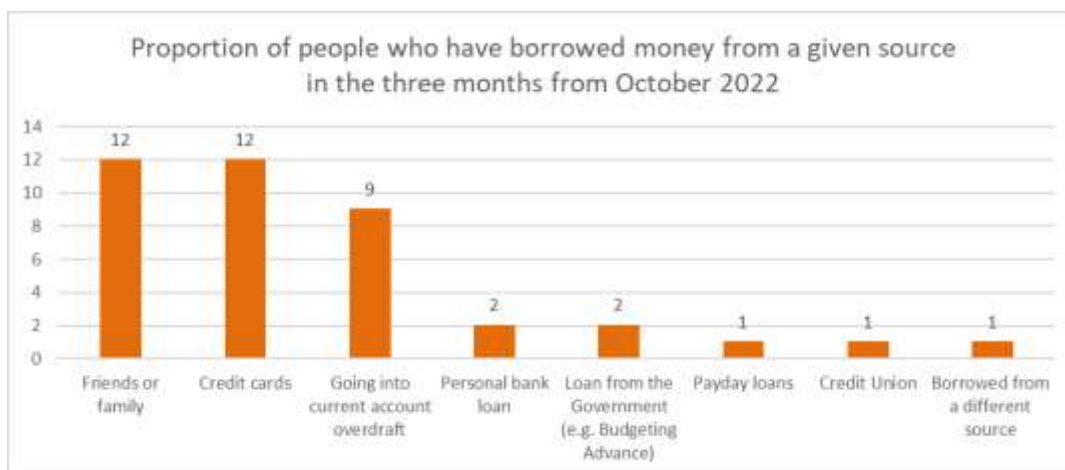
This the second successive *Snapshot* survey that has shown no significant increase in the number of people reporting that they are in debt. This is perhaps surprising given the broader economic context. It should be noted that our data does not allow us to analyse the depth of people's debt. It is therefore possible that whilst the headline figures as to the number of people in debt has remained broadly similar the amount owed by those in debt has increased.

The latest results show that 13 per cent of people in Wales had been in arrears on a bill for more than one month in January. There is no significant variation as to the source of people's arrears by bill type.



The proportion of people that have borrowed money to cover everyday costs over the past three months stands at 28 per cent. This is up slightly on the position in July 2022 (25 per cent), but the increase is within the margin of error.

There are three primary sources that people have drawn on to borrow money between October 2022 and January 2023; friends or family (12 per cent), credit cards (12 per cent) and their bank overdraft (9 per cent). There are significant differences as to where people borrow money from, depending on their characteristics. For instance, while only 2 per cent of the population as a whole have taken out a loan from the government, this jumps to 10 per cent for people in receipt of Universal Credit. More detail on this can be found in the section 3.

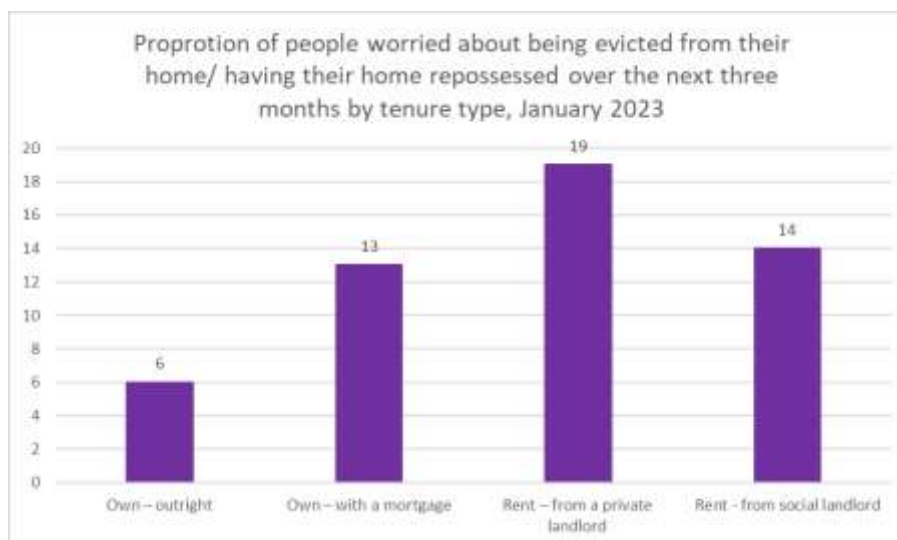


2.4 Housing

In total, 11 per cent of people in Wales are worried about the prospect of losing their home over the next three months. This is unchanged on the position in July 2022. Whilst the headline rate has not changed significantly there have been some modest but none the less important changes as to the levels of concern by tenure type.

People living in the private rental sector remain the most concerned about the prospect of losing their home in the next three months. Nearly one in five private renters (19 per cent) report that they are concerned about the prospect of being evicted. Whilst this figure is still concerningly high, it is down on the position in July where a quarter of private renters reported being concerned about the prospect of losing their home.

There has been a modest growth in the proportion of people who own their home with a mortgage reporting concern about the prospect of having their home repossessed over the next three months. As of January 2023, more than one in eight people (13 per cent) who own their home with a mortgage reported that they are concerned that they might lose their home over the next three months. This is an increase on July 2022 when the figure stood at 10 per cent. Whilst this change is within the margin of error, the July 2022 figure was itself modestly higher than the figure in November 2022 (9 per cent) suggesting that over time there is increasing concern among mortgage holders about their ability to keep a roof over their head.



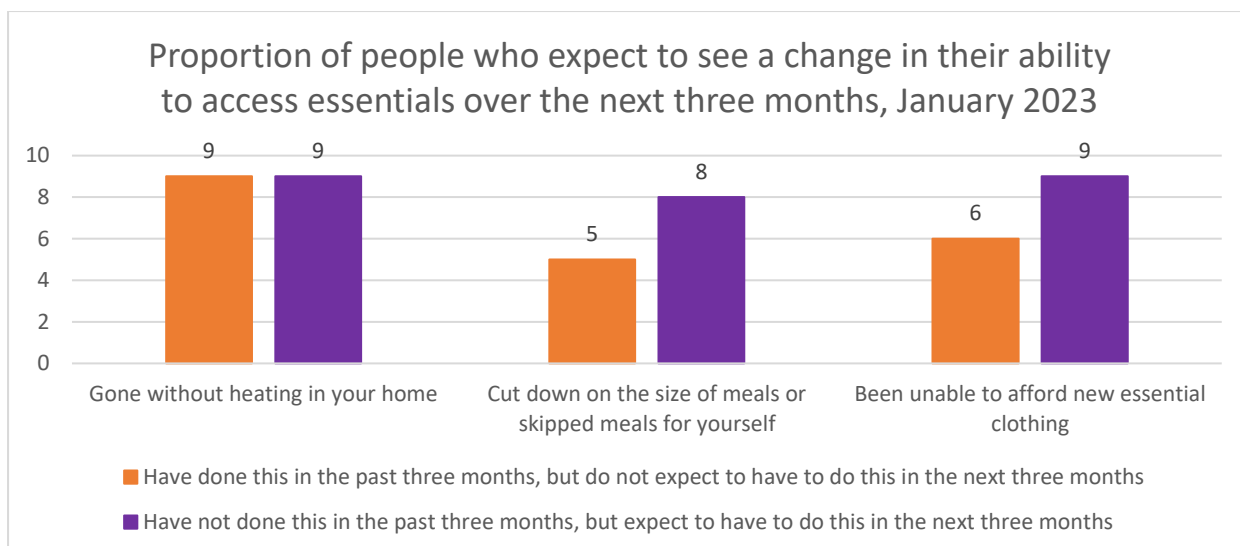
2.5 Confidence in the future

There is little indication that the Welsh population as a whole thinks that the challenges that they currently face will ease over the next three months. There are suggestions that there are individual households however, that expect their own personal circumstances to improve.

Respondents to our question on accessing essentials were presented with four options. They could select that they:

1. Had cut back/ gone without a selected good or service within the past three months and expected to have to do so again over the next three months.
2. Had cut back/ gone without a selected good or service in the past three months but did not expect to do so in the next three months.
3. Had not cut back/ gone without a selected good or service in the past three months but did expect to do so over the next three months.
4. Had not cut back/ gone without a selected good or service in the past three months and did not expect to do so over the next three months.

A number of respondents selected option 2 when providing their response. For instance, 9 per cent of respondents noted that they had gone without heating in the past three months but they did not expect this to be the case over the next three months. The number of people reporting some optimism about their personal financial position, however, is offset by the number of people who expect their position to deteriorate and expect to have to cut back or go without having avoided doing so over the past three months. Indeed, in some circumstances the number of households expecting their position to deteriorate was greater than the number who expected their position to improve.



Our survey also asked households about whether they expect to have to borrow money or fall behind on a bill over the next three months. In total 11 per cent of people expect to be in at least one month's arrears on a bill over the next three months, whilst 23 per cent expect to have to borrow money. A position that is broadly unchanged on July 2022 when 12 per cent expected to be in arrears over the next three months and 20 per cent expected to have to borrow money.

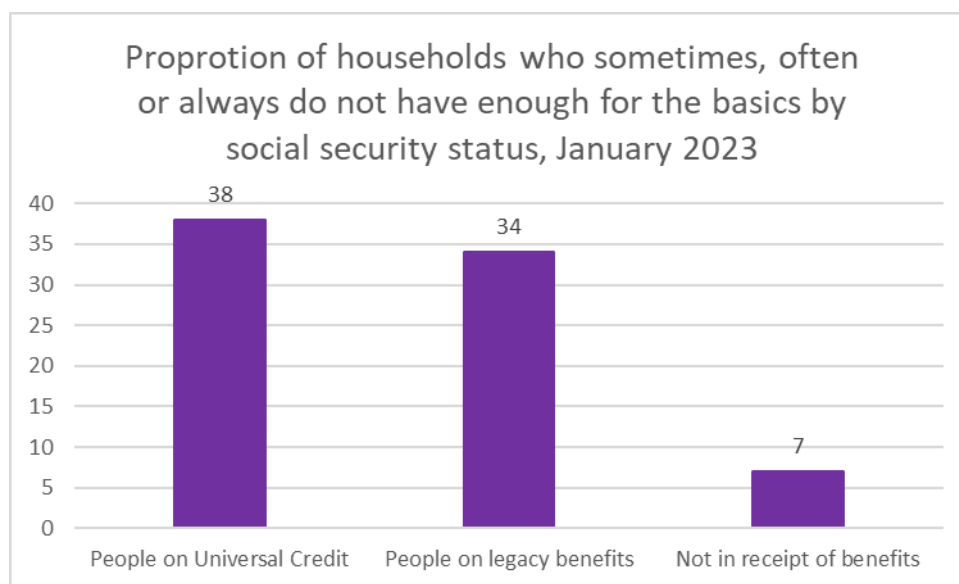
3. The unequal impact of the cost-of-living crisis in January 2023

There is no doubt that the vast majority of people across Welsh society have felt the impact of rising living costs. It is not right to say that it has affected everyone equally, however. Our primary concern when undertaking our analysis has been to understand who in Wales has been pushed into deep poverty and is facing significant hardship this winter. This next section draws attention to the groups that are being worst affected.

3.1 People in receipt of benefits

The social security system should provide a lifeline for everyone, ensuring that, no matter their circumstances, everyone has enough money to enjoy a decent standard of living. It has long been known that the social security system fails to do so. Our latest survey results lays bare the extent to which the current system is failing to protect Welsh families from incredible hardship this winter.

People on Universal Credit are five times as likely to report that they sometimes, often or always struggle to afford the basics as people who are not on benefits. A staggering 44 per cent of people on Universal Credit and 36 per cent of people on legacy benefits have cut down on the size of meals or skipped meals for themselves, whilst 17 per cent and 11 per cent respectively have visited a foodbank.



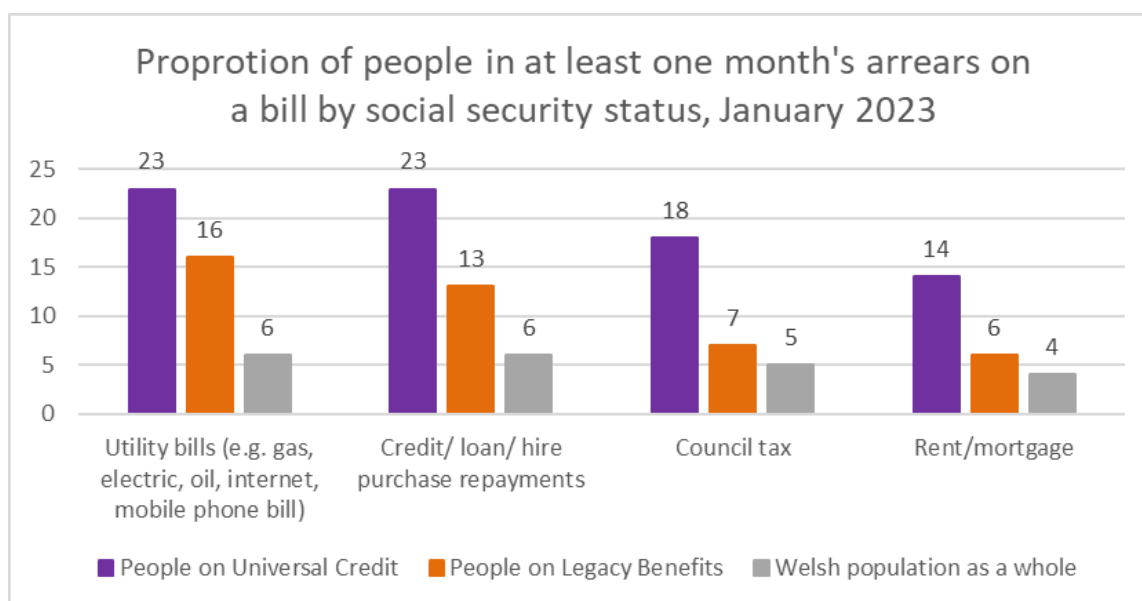
People who are in receipt of benefits are also significantly more likely to be in debt than the broader Welsh population, in particular those on Universal Credit. More than half of people on Universal Credit (51 per cent) have borrowed money due to increased financial pressure over the past 3 months whilst 44 per cent are in arrears on at least one bill. The same is true for 47 per cent and 29 per cent of people on legacy benefits.

Not only are people on benefits more likely to have fallen into debt than the general population, but there are also some important differences as to who they are in debt to.

When it comes to borrowing, friends and family, and credit cards are the primary source of borrowing for people on benefits in Wales as with the population as a whole. Loans

from the Government (e.g. a Budgeting Advance) account for a larger proportion of people's lending than across the population as a whole, however, standing at 10 per cent for people on Universal Credit, 7 per cent for people on legacy benefits compared with 0 per cent of people not on benefits.

There are also some important differences as to on which bills people who are in receipt of benefits are in arrears on. Whilst across the population the proportion of people in arrears on their utility bills, their Council Tax, their credit payments and their rent/ mortgage are broadly consistent, people who are in receipt of benefits are significantly more likely to be in arrears on their utility bills and on credit repayments. Understanding this difference is crucial if we are to develop solutions that prioritises support in the place that it is most greatly needed for those on the lowest incomes.

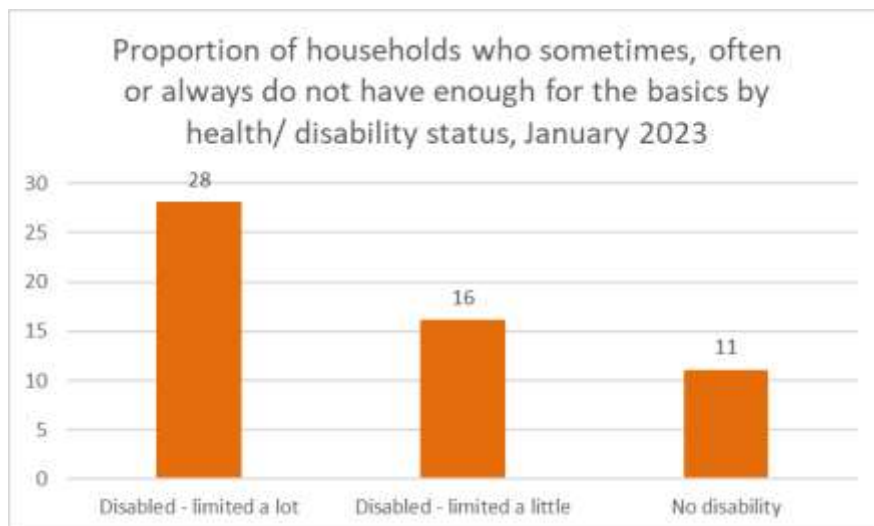


When looking at concerns about the prospect of losing their home a distinction can be drawn between the position of people on legacy benefits and the position of people on Universal Credit. In total 13 per cent of people who are in receipt of legacy benefits reported being worried about losing their home in the three months from January 2023, not significantly different to the national average (11 per cent). By contrast 20 per cent of people on Universal Credit reported being concerned about the prospect of losing their home. This difference may in part relate to differences as to the way that support with housing costs is calculated and administered under Universal Credit as compared to legacy benefits.

3.2 Disabled people

All our previous *Snapshot* surveys have established a clear link between disability and financial hardship. Despite this the extent of the differences in the experiences of disabled people, in particular those whose conditions limits them "a lot" and the broader Welsh population is stark.

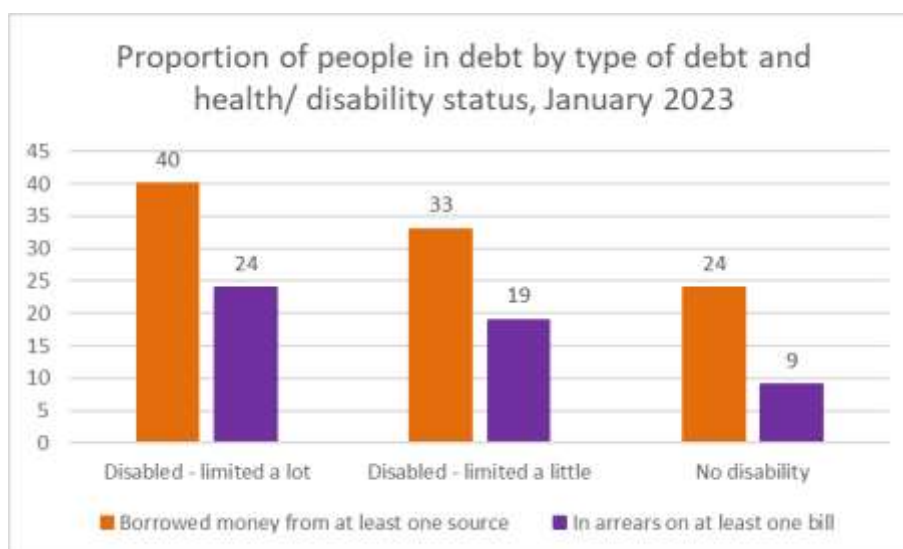
In total 28 per cent of people with a disability or a health condition that limits them "a lot" report that they either sometimes, often or always struggle to afford the basics. This compares to 16% of people whose condition limits them "a little" and 11 of people who do not have a disability or a long-term health condition.



The links between health and disability, and how people are managing during the cost-of-living crisis is illustrated even more starkly when looking into the data in greater detail.

Over half of disabled people whose condition limits them a lot (52 per cent) have gone without heating in their home over the past three months. The only other group to report similar levels of energy rationing are families with children. Nearly four in ten disabled people whose condition limits them a lot (39 per cent) reported cutting back or skipping meals both for themselves and for their children whilst 32 per cent report that they had to go without a bath or a shower at some point over the past three months.

Disabled people whose condition limits them a lot are also much more likely to be in arrears on a bill or to have borrowed money than people whose condition limits them “a little” or people who have no disability. Nearly a quarter (24 per cent) of disabled people whose condition limits them a lot reported being in arrears on at least one bill in January compared to 9 per cent of people with no disability. When looking at borrowing 40 per cent of disabled people whose condition limits them “a lot” borrowed money between October and January (an increase of 7 percentage points when compared to July 2023) compared to 24 per cent of people with no disability.

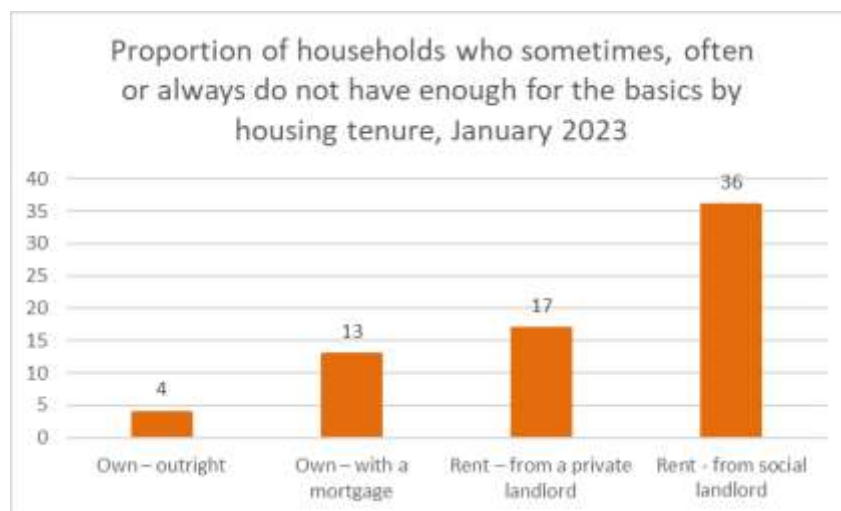


The position of disabled people whose condition limits them “a little” and “a lot” is more aligned however when looking at housing. Disabled people, regardless of how significantly their condition limits them, are twice as likely to be concerned about the prospect of losing their home over the next three months (16 per cent) than non-disabled people (8 per cent).

3.3 Housing tenure

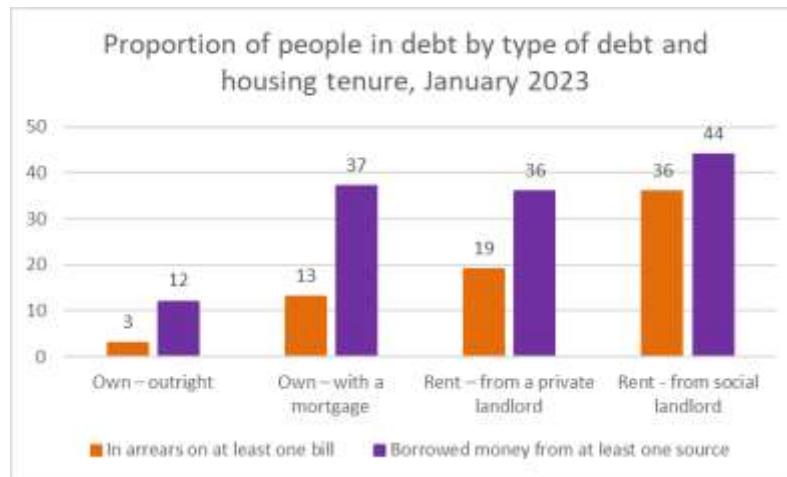
This report has already revealed significant differences between the position of renters and owner occupiers when it comes to how concerned people are about the prospect of losing their home over the next three months. This is not the only area where renters are being more significantly affected by rising living costs.

The group least affected by rising living costs are people who own their home outright. Only 4 per cent of people who own their property outright report that they either sometimes, often or always don't have enough for the essentials. By contrast the same is true for 36 per cent of social renters.



The headline data is supported by insights shared by respondents to questions on access to specific essentials. Perhaps the most concerning finding of all relates to food. Nearly half (46 per cent) of social housing tenants report that they have had to cut back on food for themselves or skip meals in the three months to January 2023. The same was true for 26 per cent of private renters and 24 per cent of people who own their property with a mortgage.

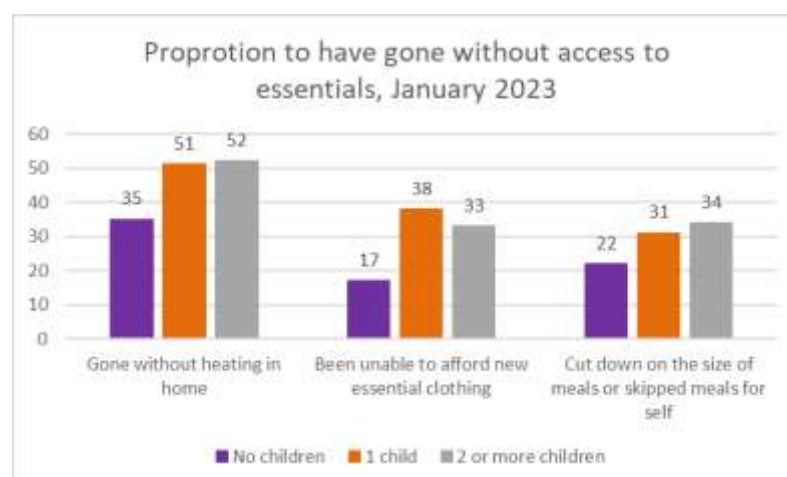
Levels of debt are also significantly higher among social housing tenants. More than one in three social housing tenants (36 per cent) are in arrears on a bill whilst more than four in ten (44 per cent) have borrowed money. By contrast 3 per cent of people who own their home outright are in arrears on a bill and 12 per cent have borrowed money.



3.4 Households with children

With nearly a third of children in Wales living in poverty⁴ it is not surprising that many families with children are finding it difficult to manage as costs rise. In total 19 per cent of families with one child and 23 per cent of families with two children report that they either sometimes, often or always struggle to afford all the essentials. Looking at the data in greater detail unveils some concerning insights as to the difficult choices being taken by families all over the nation.

Over half of people living in household with children reported that they had gone without heating at some point over the three months to January 2023 (51 per cent of households with one child, and 52 per cent of households with more than two children). Around a third reported that they had cut back on food for themselves (31 per cent in households with one child and 34 per cent in households with two or more children) with similar proportions reporting that they had been unable to buy new essential clothing (38 per cent in households with one child and 33 per cent in households with two or more children).

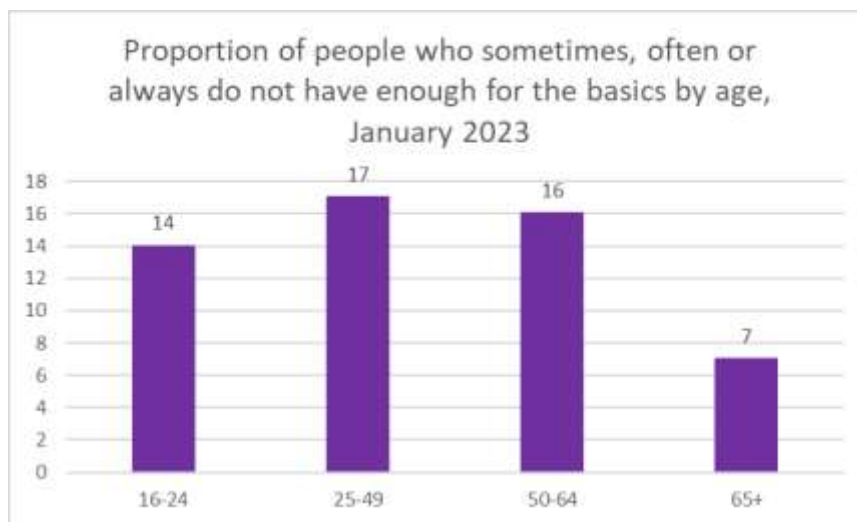


⁴ Stats Wales, *Percentage of all individuals, children, working-age adults and pensioners living in relative income poverty for the UK, UK countries and regions of England between 1994-95 to 1996-97 and 2017-18 to 2019-20 (3 year averages of financial years)* available at - <https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Poverty/householdbelowaverageincome-by-year>

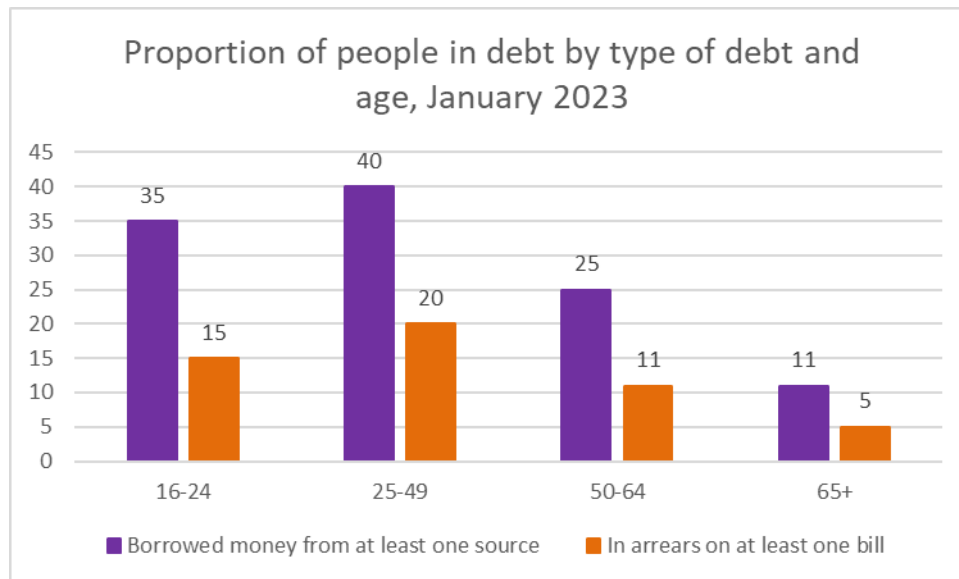
The other area where families with children are appearing to be faring especially badly is debt. People living in households with children are around twice as likely to be in debt as a result of the cost-of-living crisis as people living in households with no children. In total 23 per cent of people living in households with one child and 22 per cent of people living in households with two or more children are in arrears on a bill compared to 10 per cent of people in households with no children. Four in ten people in households with children borrowed money between October and January 2023 (40 per cent in households with one child and 41 per cent in households with two or more children) compared to 24 per cent of people in households with no children.

3.5 Age

There is a clear divide between how people aged under 65 and aged over 65 are being affected by the cost-of-living crisis. Respondents under 65 years old were twice as likely to report that their household sometimes, often or always struggled to afford the basics (14 per cent for people aged 16 to 24, 17 per cent for those aged 25 to 49 and 16 per cent for those aged 50 to 64) compared to 7 per cent of those aged 65 and over.



There are greater differences in the experiences of those aged under 65 when it comes to debt. Unsurprisingly adults under 65 are more likely to be in debt as a result of the cost-of-living crisis than adults aged 65 or older, it is the younger working age adults however, that are most likely to report that they have fallen into debt. Adults aged 25 to 49 are twice as likely to be in arrears on a bill than any other age group (20 per cent) whilst those aged 16 to 24 and 25 to 49 are at least ten percentage points more likely to have borrowed money over the past three months than those aged over 50.

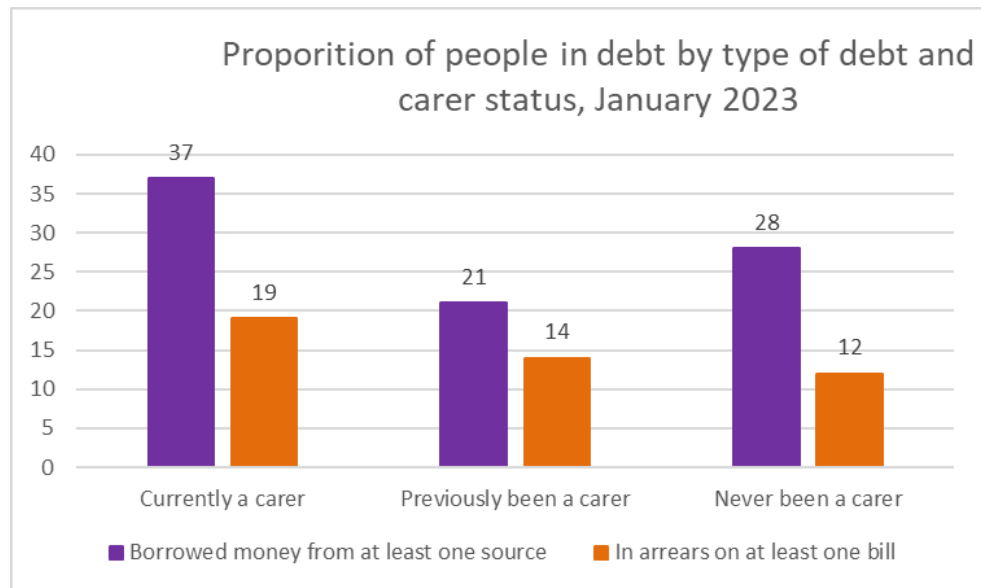


3.6 Unpaid carers

This *Snapshot* survey is the first time that the Bevan Foundation has commissioned YouGov to specifically look at the impact of the cost-of-living crisis on carers. The decision to do so followed feedback from partner organisations who reported concerns that the position of unpaid carers was being overlooked in broader discussions on the impact of the cost-of-living crisis. Their concerns appear well founded.

In total 17 per cent of carers report that they either sometimes, often or always don't have enough for all the basics, compared to 16 per cent for people who used to be carers but who no longer act in that capacity and 12 per cent for people who are not and have never been carers. The difference between the position of current carers and the broader population becomes starker when looking at more detailed questions, in particular on debt.

In total 37 per cent of carers have borrowed money between October and January, significantly higher than the proportion of people who have never been carers (28 per cent) and people who have previously been carers (21 per cent). When looking at arrears 19 per cent of carers were behind on at least one bill in January 2023 compared with 14 per cent of people who had previously been carers 12 per cent of people who have never been carers.



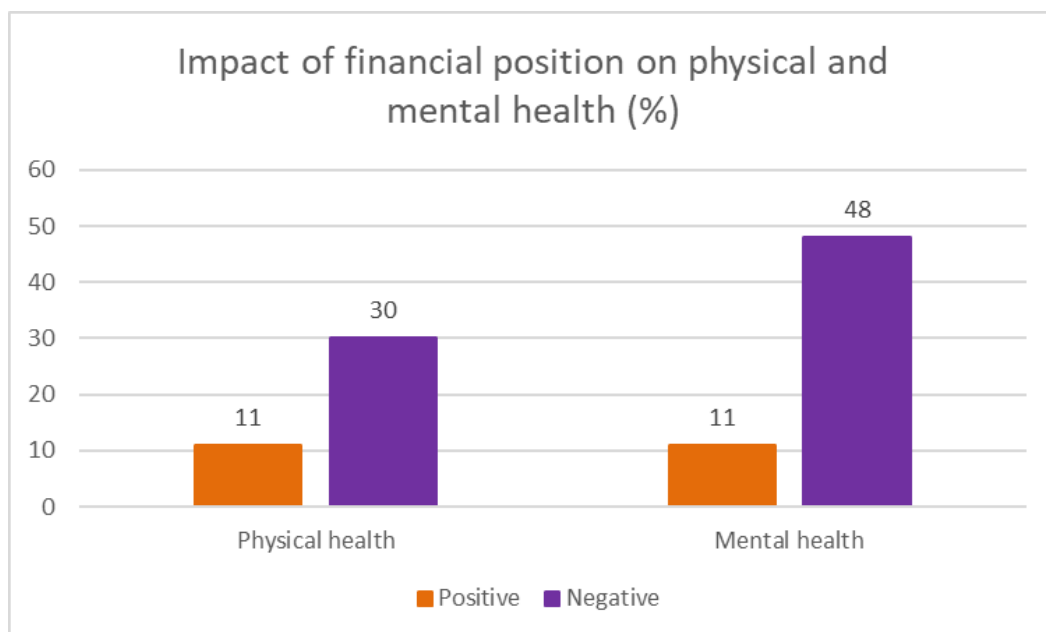
In other areas however, there is less difference between the position of carers and non-carers. For instance, whilst carers are slightly more likely to report that they are worried about the prospect of losing their home over the next three months (14 per cent) the difference between their responses and the responses of people who have never been carers (11 per cent) is within the margin of error.

4. Health

One of the most concerning findings of our *Snapshot of Poverty in summer 2022* report was the impact that people felt that increased financial pressures was having on their health. To further our understanding of the impact of the cost-of-living crisis on people's health we have not only repeated our original questions but have inserted new questions to ask people why they thought their physical and mental health is being negatively affected by their financial position.

4.1 The impact of the crisis on people's health

Respondents to the survey were asked what impact, if any, their current financial position had on both their physical and mental health. Nearly half of Welsh adults (48 per cent) reported that their current financial position had had a negative impact on their mental health, with 30 per cent reporting that their current financial position had had a negative impact on their physical health. Whilst the number of people reporting that their current financial position had had a negative impact on their physical health was unchanged when compared to July 2022, the number of people reporting that their financial position has had a negative impact on their mental health has deteriorated (from 43 per cent in July 2022).



A particularly concerning finding for the latest survey is the deterioration in people's mental health appears to be concentrated within particular groups. The proportion of people who own their home with a mortgage reporting that their mental has been negatively affected by their current financial position has increased by 14 percentage points, and now stands at 60 per cent. There has also been a significant increase in the number of people living in households with children reporting that their mental health has been negatively affected with 62 per cent of people living in households with one child and 63 per cent of people living in households with two or more children reporting that their mental health has been negatively affected.

The group within Welsh society that is most likely to report that their mental health is being negatively affected by their financial position is a group that has not seen a major

deterioration since our last survey. A staggering 68 per cent of people on Universal Credit in Wales report that their mental health has been negatively affected by their financial position. Other groups where over six in ten respondents report that their mental health has been negatively affected by their financial position include carers (62 per cent), disabled people whose condition limits them a lot (61 per cent) and private renters (60 per cent).

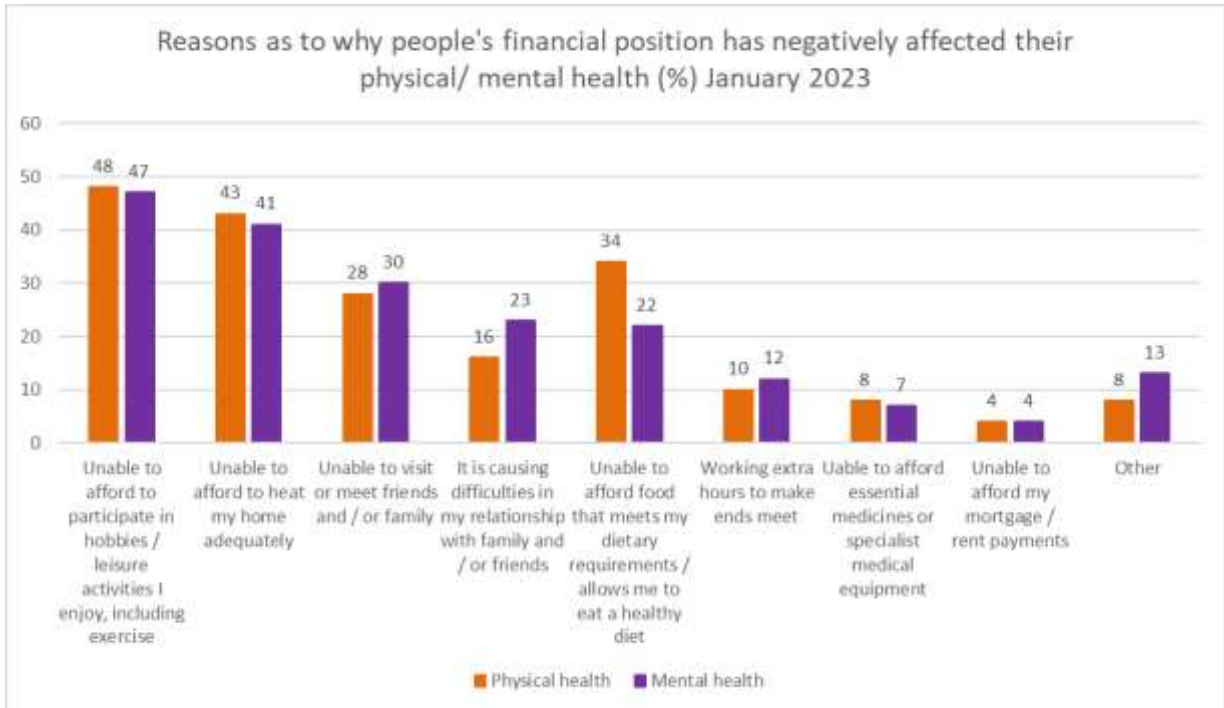
Concerningly whilst the number of people who report their physical health has been negatively affected by their financial position has remained flat, one of the groups that has seen a deterioration is the group that was already most likely to report that their physical health had been negatively affected, disabled adults whose condition limits them a lot. In total 55 per cent of disabled people whose condition limits them a lot report that their physical health has been negatively affected in our most recent survey, compared to 51 per cent in our July 2022 survey. The only other group with a sufficient sample size to see more than half of respondents report that their physical health has been negatively affected by their financial position is people who are on legacy benefits, 52 per cent.

4.2 Reasons as to why people's financial position has negatively affected their physical/ mental health

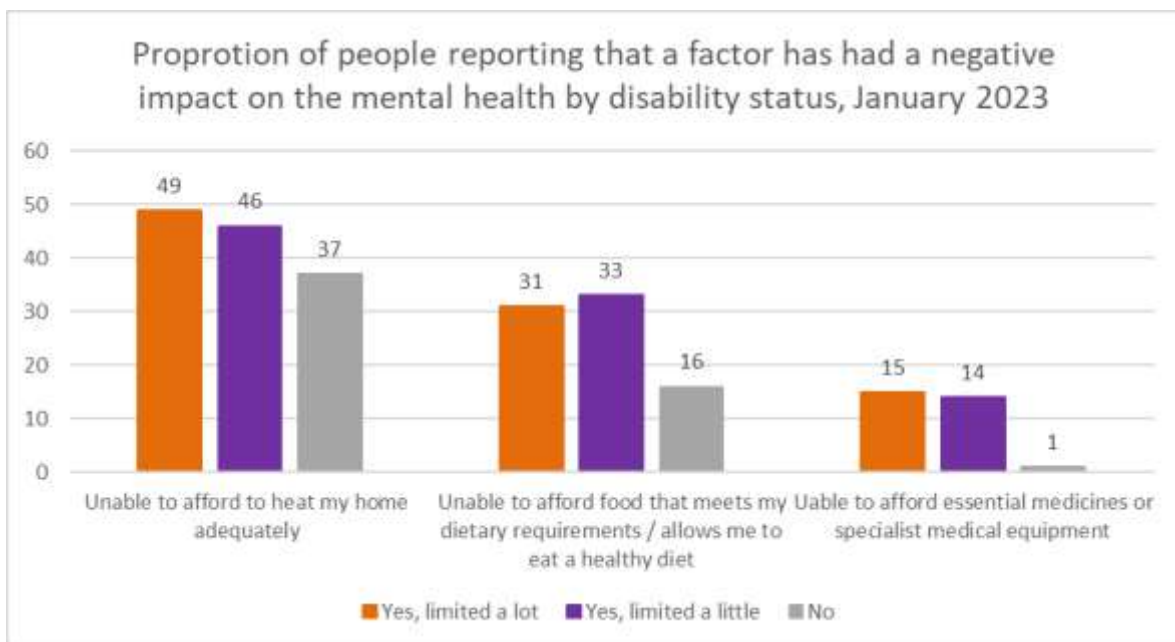
The Bevan Foundation held a number of conversations with stakeholders following the publication of our July *Snapshot* to explore what might be the reasons that so many households were reporting that their physical and mental health have been negatively affected by their financial position. To try and deepen our understanding on this we have added two new questions to our latest survey. These questions asked people to select from list of factors that might explain why their current financial position has had a negative impact on their health. Respondents were allowed to select as many factors as they felt had, had an impact.

A clear message from the data is that it is not just going without essentials such as heating and food that people think is having an impact on their health, but also broader factors. Nearly half of people who report that their health has been negatively affected reported that a lack of ability to participate in hobbies and exercise was a reason why their health had deteriorated (48 per cent physical health and 47 per cent mental health). Three in ten report that their inability to meet family and friends had, had a negative impact on their health (28 per cent physical health and 30 per cent mental health) whilst 23 per cent report that a relationship difficulty had, had a negative impact on their mental health.

This should not distract from the fact that people do believe that difficulties in accessing essential goods and services has had a negative impact on their health. More than four in ten people whose health has been negatively affected attribute a lack of heating in their home as a contributory factor (43 per cent physical health, 41 per cent mental health), whilst over a third (34 per cent) report that a lack of access to good quality food is having an impact on their physical health.



A lack of access to essential goods and services appears to have had a more significant impact on the health of disabled people and people with long term health conditions. This is especially true with regards to mental health. Disabled people were twice as likely to report that an inability to afford food that meets their dietary requirements/ allows them to eat a healthy diet had had a negative impact on their mental health than people who are not disabled. The difference is even more stark with regards to medicines and specialist medical equipment. Whilst 15 per cent of disabled people whose condition limits them a lot and 14 per cent of disabled people whose condition limits them a little report that their mental health has been negatively affected by a lack of access to medicines and medical equipment, the same is only true for 1 per cent of people with no such conditions.



5. Conclusion

This report has laid bare the scale of the hardship endured by Welsh families this winter. Whilst the headline figures may not have deteriorated from our last *Snapshot* survey, now is not the time for complacency. There are worrying indications at a political level, however, that this may happen.

The decisions of the UK, Welsh and local governments to increase the provision of financial support to households throughout 2022 appears to have helped prevent an already grim situation deteriorating further. Much of this additional support is due to come to an end over the coming months. Despite forecasts that inflation will reduce significantly over the next year, there is no indication that costs themselves will return to pre pandemic levels. With more than one in eight households in Wales already sometimes, often or always struggling to afford the essentials, there are real concerns that reducing the level of support at this time will cause greater hardship.

This report has highlighted how the impact of the cost-of-living crisis is not affecting everyone across Welsh society equally. For any extra support to effectively reduce deep poverty in Wales then this support should prioritise those in greatest need. A clear action that could be taken to reduce deep poverty in Wales is improving the generosity of the social security system. The fact that 44 per cent of people on Universal Credit have cut down on the size of meals or skipped meals for themselves provides a clear indication of just how inadequate the current system is.

The decision of the UK Government to increase some social security benefits in line with inflation from April 2023 is to be welcomed. This decision will only see social security benefits retain their real terms value rather than address the fact that social security benefits do not provide adequate support. Furthermore, many benefits will not be updated this April, most significantly the Local Housing Allowance, whilst the Welsh Government has so far failed to increase the value of its own grants and allowances in line with inflation.

The findings of the report with regards to people's health also provides us with a reminder about how important it is to think about poverty more broadly rather than just think about the need for families to be able to afford to put food on the table and heat their homes. It is clear that people who feel that their health is being negatively affected by their financial position put just as great an emphasis on the health benefits of interacting with other people or enjoy their hobbies as they do on ensuring that they have access to all essentials. It is crucial that the depth of the current crisis does not see us lose sight of the need to address both factors when we think about how we support people over the next few months and years.