

**Millions face financial ‘cliff edge’ as cost of living support ends**

Millions more people will find themselves unable to afford basic essentials if the government fails to plug the gap left by the premature withdrawal of additional cost of living support, a coalition of civil society organisations has warned.

As households in receipt of Universal Credit and other benefits receive the third and final cost of living payment today, the Stop the Squeeze coalition has said that families across the country now face a financial “cliff edge”, and that a major overhaul of the social security system is urgently needed as it is no longer capable of preventing people from falling into poverty.

Cost of living payments were introduced to respond to rapidly rising inflation. But as prices remain far higher than pre crisis levels and continue to rise, experts are concerned that without ongoing support, millions more will have to go without key essentials.

Stop the Squeeze, a coalition of 50 civil society organisations, trade unions and grassroots groups, is calling for the social security system to be redesigned to ensure it delivers a Living Income for all. The coalition, which includes New Economics Foundation and Magic Breakfast, is campaigning to ensure social security payments provide a guaranteed income floor which allows families not only to survive but to live well, and below which nobody can fall.

**Megan Davies of the Stop the Squeeze campaign said:**

“The upcoming Spring Budget could be the Chancellor’s last opportunity to take bold action on the cost of living crisis. While the government is fixated on tax cuts that won’t make any meaningful difference to most people, the reality is that families up and down the country are facing a financial cliff edge. We need a real plan for an affordable Britain, ensuring that everyone has access to an income that allows them not only to survive but to live well.”

**Sam Tims, Senior Economist at the New Economics Foundation (NEF) said:**

“Our income safety net should provide us with a foundation free from poverty, but recent years have shown that our social security system is not fit for purpose. Time and time again, the Government has found itself having to reinvent the wheel each time we face an economic shock as a country, without a safety net that is strong enough to give protection to

everyone who needs it. We need a system in which, no matter what is happening in the world, everyone can be sure that they can afford the essentials.”

## **ENDS**

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### **Notes to editors:**

1. Stop the Squeeze is a coalition campaign calling on the government to tackle the cost of living crisis by boosting incomes, raising taxes on wealth and guaranteeing that the essentials of life remain affordable for everyone. The full list of supporting organisations can be found at [www.stopthesqueeze.uk](http://www.stopthesqueeze.uk)

Supporter organisations have signed up to support the campaign launch statement and the demands of the campaign, they do not necessarily support every policy proposal that may be mentioned by the campaign.

Stop the Squeeze has been formed by a core steering group consisting of [The Economic Change Unit](#), the [New Economics Foundation](#), and [Tax Justice UK](#).

A range of spokespeople are available from organisations supporting Stop the Squeeze.