

Cost of Living in London 2022- 2023

October, 2022

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INTRODUCTION

The 'cost of living crisis' refers to the fall in 'real' disposable incomes (that is, adjusted for inflation and after tax and benefits) that the UK has experienced since late 2021. This is being felt acutely in the capital, where the cost of living was already a challenge for Londoners before the pandemic, with polling from late 2021 showing that it was already the most significant concern for Londoners. In response to the Spring Statement, the Mayor of London Sadiq Khan highlighted the 'triple whammy' Londoners faced with energy price hikes, tax increases, and rising inflation.

London HEIs are institutions embedded in local communities and made up of Londoners who, as both staff and students live, study and work in the city. This briefing sets out the challenges we are facing across London HE, pan-London or sector level responses and suggestions for individual HEIs.

This briefing paper has been produced following conversation across the membership and a member wide meeting. London HE is proudly diverse and London Higher's membership includes Pre- and Post-92, small specialists, large multi-faculty institutions and Londoncentres. Different institutions may have different capacities and capabilities and the suggestions below are offered as a source of ideas for consideration depending on means and context.

STUDENTS

London HE's student population is hugely diverse and, as such, the increased cost of living will impact particular student groups to differing extents; students from socioeconomically disadvantaged backgrounds, those with disabilities, students experiencing poor mental health, international students, mature students and those with caring responsibilities may all be more vulnerable.

Suggestions include both targeted activity at those students identified by the institution as needing extra support and universal initiatives (which may disproportionately benefit vulnerable student groups).

PAN LONDON ACTIONS:

- **Increase to Maintenance Loan for London Students** – Local London students classed as ‘living with parents’ are currently eligible for less Maintenance Loan than those who are ‘not living with parents’. We know that local Londoners ‘living with parents’ are likely to come from under represented, lower socioeconomic backgrounds who will need more support with the increased costs of living and studying in the capital.
- **GLA Cost of Living Hub** – The GLA’s Cost of Living Hub aims to ensure all Londoners know the support available to them. London students have many different identities, some of which are reflected on the pathways within the hub. Specific information for students should be included on the hub and support for students to navigate the hub will improve accessibility.
- **Impact on Student Outcomes** – Understanding the impact of the cost of living on students both in terms of continuation and completion will enable the better targeting of support at both an individual and sector wide level.
- **UKRI** – UKRI recently announced an uplift in the stipend for funded PhD students however, the uplift does not include an increase in London Weighting for London based postgraduate students. We must acknowledge the increased costs for PhD students in the capital and support them appropriately.
- **Reduced Travel Costs** – The majority of London students use public transport to travel around the capital. London also has a high number of commuter students, who travel significant distances to campus. Reduced travel costs for students would enable students to come to campus at lower cost, increasing the impact of on-campus support.
- **Advice and Guidance for pre-entry students** – cost pressures are likely to impact on HE decision-making, especially on views about the affordability of studying a HE programme in London. Routing support with financial literacy and detailed guidance on the costs of HE to applicants and prospective students will be critical. Our AccessHE division is currently producing a pan-London information resource to this effect.

- **Peer learning for staff** – institutions and staff in London have been working hard to put cost of living support measures in place for students, but may not have had the opportunity to step back and consider emerging lessons about what works in a London context by discussing approaches with peers. London Higher will broker these conversations through a series of dedicated sessions in November 2022.

SUGGESTIONS FOR LONDON HEIs:

- **E-Book Provision** – expanded e-book provision for all course texts to reduce costs for individual students.
- **Free Period Products** – providing free sanitary products in bathrooms across campus and for students to collect from student services.
- **Supermarket Vouchers** – supermarket vouchers for students to avoid additional cash payments reducing benefit eligibility.
- **Free Hot Drinks** – hot drinks available for free throughout the day across all campus catering outlets.
- **Breakfast Clubs** – free breakfast options available at campus catering outlets.
- **Technology / Material Grants** – grants for students to buy laptops, home wifi access and other course specific materials.
- **Travel Bursaries** – financial support for commuter students or other students to enable them to travel to campus.
- **Bursary Upgrades** – increase the amount each bursary is worth to reflect the increased cost of living.
- **Increased Hardship Fund** – increasing the amount of money directed into the hardship fund.
- **Accessibility of Hardship Funds** – widening the scope of the hardship fund to reflect students who may not previously have been eligible for support. Providing clear, simple and dignified pathways for accessing hardship funding if required.
- **Maximising Campus Spaces** – maximizing the number of seats in free-to-use, warm campus spaces to enable students to work and socialize without spending money.
- **Winter Parties** – providing an opportunity for students to celebrate winter religious (and non-religious) events on campus, in recognition that many may not be able to afford to do so in their usual way.

- **Targeting Part Time Jobs** – advertising all part time jobs ‘in house’ before externally to maximise the number of students who can undertake paid work if they need to.
- **Swap Shop** – organising events for students to swap clothes and other items for no cost.
- **Targeted Wellbeing Calls** – identifying vulnerable students and offering check-in phone calls to ensure they are accessing relevant support.
- **Extended Opening Hours** – opening campus facilities (e.g. library, catering outlet, social spaces) for longer hours or 24/7 to ensure students have appropriate spaces to stay warm and access support.
- **Providing Housing in Crisis** – providing student accommodation for students who find themselves homeless.
- **Bike Mechanics** – paying for bike mechanics to visit campus regularly to provide free repairs and servicing for student bikes.
- **Update Cost of Living Webpages** – providing regularly updated, clear information on institutional webpages, including accurate estimates of the cost of living in the local and liaising with other local HEIs to ensure consistency.
- **Fee Freezes for Societies and Clubs** – freezing fees on student run societies and clubs, providing additional funding to facilitate this if needed.

STAFF

London HEIs employ staff from across the capital and beyond, all of whom will be facing increased costs of living and working in London. The financial and contextual position of London HEIs is diverse and therefore, it is appropriate that support for staff is institutional specific, with no ‘one size fits all’ solution to the challenges.

Lower paid staff, those with lengthy commutes and those with caring responsibilities may all be increasingly vulnerable to the cost of living crisis.

ACTION FOR LONDON:

- **London Living Wage Accreditation** - The London Living Wage is an hourly rate of pay, currently set at £11.95 and accredited by the Living Wage Foundation. It is an optional, higher payment that reflects the cost of living in the capital. Many but not all London HEIs pay the London Living Wage and gaining accreditation is one way of financially supporting all staff.

SUGGESTIONS FOR LONDON HEIs:

- **Increased Salaries for Lower Paid Staff** – increasing pay targeted at lower paid staff to support those who are most vulnerable to cost of living rises.
- **One Off Payments** – providing a one off payment to all staff to reflect the increased cost of living.
- **Food Vouchers** – providing food or other vouchers to support staff without impacting on benefit eligibility.

COMMUNITIES

ACTION FOR LONDON:

London Higher's Civic Network is well placed to convene London's HEIs around their civic work, sharing best practice and information, and creating pan-London responses wherever needed. Any members who would like to join the Civic Network, please email Darren de Souza, Policy and Projects Officer at darren.desouza@londonhigher.ac.uk.

SUGGESTIONS FOR LONDON HEIs:

- **Warm Spaces** – opening up warm spaces for the community to use on campus e.g. catering outlets, bookable spaces.
- **Pro Bono Clinics** – offering pro bono clinics for the community to access advice, such as those offered by London Metropolitan University where students bring their skills and training to serve the community, supported by university expertise and infrastructure.
- **Winter Parties** - providing an opportunity for the local community to celebrate winter religious (and non-religious) events on campus, in recognition that many may not be able to afford to do so in their usual way.
- **Cheap Meals for All** – opening up catering outlets on campus to the wider community and offering cheap, hot, nutritionally balanced meals.
- **Cooking Classes** – providing free cooking classes for both students and the wider community as a way of increasing community engagement.
- **Redirecting Surplus Food** – offering reduced price food later in the day to reduce food waste and working with local redistribution organisations.
- **Working with Local Boroughs** – working closely with local boroughs to ensure that each institution is maximizing its civic role as an anchor institution within its local community.

INSTITUTIONS

London HEIs generate over £12bn in GDP. They are collectively home to over 485,000 students, employ over 223,000 people and act as crucial anchor institutions in their local communities. In this time of increased costs, London HEIs play a vital role supporting huge number of individuals across the capital as well as acting as an integral partner in delivering the government's plan for growth. However, in order to maximise this impact, London HEIs must be adequately funded to support their work and reflect both the increased operating costs, and the wider costs of their role as anchor institutions.

ACTION FOR LONDON:

- **London Operating Costs** – London HEIs, like other public sector organisations, have long received a London Weighting supplement on government funding to reflect the increased costs of operating in the capital. The removal of London Weighting from the Strategic Priorities Grant allocated by the DfE in 2021, despite significant evidence of the detrimental impact this would have, has created significant financial pressure across London HE. Reinstating this funding would allow London HE to better absorb the increased cost of operating in the capital at this time of increased costs.

CONCLUDING THOUGHTS

London HEIs are an integral part of the capital, making vast contributions across a myriad of different sectors, supporting staff and students and embedded in their communities. This briefing paper sets out the ways in which London HE can tackle the challenges presented by the cost of living crisis at both an institutional and pan-London level. London Higher stands ready to support members in securing the support needed to enable institutions to deliver on the local, national and international missions for the benefit of all.

FURTHER INFORMATION

If you would like to discuss this briefing paper further or require any further information, please contact Dr Sally Burtonshaw, Head of Policy at London Higher on sally.burtonshaw@londonhigher.ac.uk

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