

Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
Westminster
London
SW1A 2HQ

CC: Rt Hon Rachel Reeves MP, Shadow Chancellor of the Exchequer

Dear Chancellor of the Exchequer,

We write to you ahead of the upcoming Budget as a group of charities, trade unions and civil society organisations to urge you to use this final opportunity before the election to take real action on the structural economic causes of this current cost of living crisis.

Millions of families are struggling to afford basic essentials such as food and energy, with prices far higher than pre-crisis levels and set to continue to rise. The National Institute for Economic and Social Research (NIESR) calculates that Britain's poorest households are now £4,500 worse off than at the start of the Covid pandemic, with living standards not returning to pre-pandemic levels until 2027. According to the Resolution Foundation, this will be the first Parliament on record where living standards have fallen. Meanwhile, the UN Special Rapporteur on extreme poverty has said that the UK is 'in violation of international law' for failing to protect those on the lowest incomes. Clearly, this crisis is far from being over.

After the NHS, the cost of living crisis is the British public's main priority, with 50% of voters saying that this will be one of the top issues for them at the next election. Research from the Stop the Squeeze campaign shows that people are deeply worried about this crisis, but that they don't feel politicians share this concern.

Your recent fiscal events have failed to tackle any of the structural economic issues underlying this recent crisis, and have represented real missed opportunities for decisive action. This Spring Budget is an opportunity to change course and take action where it really matters. Living in the UK has become unaffordable for millions of families, but with the right political choices, that can change. Policies exist that are fair, affordable, and popular.

Instead of tinkering with tax rates which will make little difference to most peoples' finances, we urgently need policies which both address the immediate crisis and fix the structural problems with our economy that have led us to this point. That means taking action to reform broken markets, cracking down on excess profits, increasing investment in public services and infrastructure to secure a climate safe future, and guaranteeing that the essentials of life - clean energy, nutritious food, and decent housing - remain affordable for all. And we need action to guarantee a living income for all, by creating a floor beneath which nobody can fall, whether they are in work or not.

We can achieve these urgent measures by reforming our broken tax system. At a time when ordinary families are struggling to make ends meet, the way in which wealth and the income it brings are disproportionately undertaxed is unsustainable. Redressing this imbalance is not only more just, it would also raise the revenue required to properly tackle the cost of living crisis.

This Budget could be the Government's last opportunity before the next General Election to demonstrate to voters that solving the cost of living crisis is a real priority. We urge you to take that opportunity and to deliver a real plan for an affordable Britain.

Yours faithfully,

Economic Change Unit
Tax Justice UK
New Economics Foundation
Unison
Oxfam GB
Usdaw
Friends of the Earth
Christians Against Poverty
Women's Aid
British Association of Social Workers
Magic Breakfast
Community Union
Bakers Food and Allied Workers Union
Equity
Pregnant Then Screwed
Fairness Foundation
National Education Union
Greenpeace UK
End Fuel Poverty Coalition
Fairer Housing
Women's Budget Group
The Runnymede Trust
Patriotic Millionaires UK
The Equality Trust
Medact
Centre for Responsible Credit
Advice for Renters
Independent Food Aid Network
JustMoney Movement
Fuel Poverty Action
Single Parents Support and Advice Services
National Youth Advocacy Service
Generation Rent
The Matthew Tree Project
Green Economy Coalition
Fairer Share
Autonomy
The Social Guarantee
Faith for the Climate
Compass
Wen (Women's Environmental Network)
Wellbeing Economy Alliance Scotland
Centre for Applied Buddhism
Working Chance
Disabled People Against Cuts
Zero Hour
Greater Manchester Coalition of Disabled People (GMCDP)
Manchester Disabled People Against Cuts

Agenda Alliance
CLASS (Community Led Action and Savings Support)
Disability Rights UK
End Violence Against Women Coalition
Turn2us
Aquarius Community Savers
Centre for Progressive Policy
The Intergenerational Foundation
Common Wealth
350.org
High Pay Centre
Positive Money
Working Class Economists Group
One Parent Families Scotland
Surviving Economic Abuse
Debt Justice
Caritas Social Action Network (CSAN)
B Lab UK
Social Housing Action Campaign
We Own It
Quakers in Britain
Young Women's Trust
Women in Prison
Structural Inequalities Alliance
Children North East
Church Action on Poverty
The 99% Organisation
Family Food Action
The Sisterhood Supperclub Collective
Her Centre
South Asians for Sustainability
Warm This Winter
Uplift
Global Witness
South East London Community Energy (Selce)
The Poverty Alliance
Carers UK
National Bargee Travellers Association
Drive Forward Foundation
Possible
Churches Together England
Little Village