
To: Fairer Renfrewshire Sub-Committee

On: 27 March 2024

Report by: Chief Executive

Heading: Cost-of-living Update

1. Summary

- 1.1 At each of the Fairer Renfrewshire Sub-Committee meetings, an overview of key context and evidence around current pressures on household finances, both in terms of household income and expenditure has been provided to members.
- 1.2 Since the last meeting of the Sub-Committee on 31 January 2024, there have been a number of changes in economic factors including a decrease in the Energy Price Cap from 1 April 24, meaning households will pay less for their energy use, while inflation has reduced to 4% since the last Sub-Committee meeting and interest rates have remained the same. Elected members are asked to note that:
- The rate of inflation has reduced to 3.4% (Feb 24), falling from 4% in January 24 and still above the 2% target set by the Bank of England
 - The inflation rate for food and non-alcoholic beverages has continued to reduce; now 5%.
 - The Bank of England has kept the interest rate unchanged at 5.25% as of 31 January 2024, which is the highest rate in 15 years. The next review will be 21 March 2024.
 - The Energy Price Cap, originally introduced by Ofgem in January 2019 to set limits on the underlying rates energy suppliers, is now set at £1,928, but will reduce to £1,690 from the 1 April until 30 June. This will be the lowest rate for 2 years.
 - Standing charges for pre-payment meters have reduced to below those for households who pay by direct debit, meaning those on pre-payment meters are currently likely to be paying less for their energy.
- 1.3 This paper provides an overview of information collated by officers in relation at both a national and local level where available.

2. Recommendations

- 2.1 It is recommended that members of the Fairer Renfrewshire Sub-Committee note the content of the report.

3. Background

- 3.1. At the Fairer Renfrewshire Sub-Committee meeting on 31 January 2024 an overview of key context and evidence around current pressures on household finances, both in terms of household income and expenditure was examined.
- 3.2. Although there have been some reductions in financial pressures, such as the recent fall in food inflation, costs for households are still high. In November 2023 the OBR forecasted that real household disposable incomes per head will increase by 0.3% in 2023, fall by 1.5% in 2024, and then increase by an average of 1.5% between 2025 and 2028.

4. Impacts of cost-of-living crisis

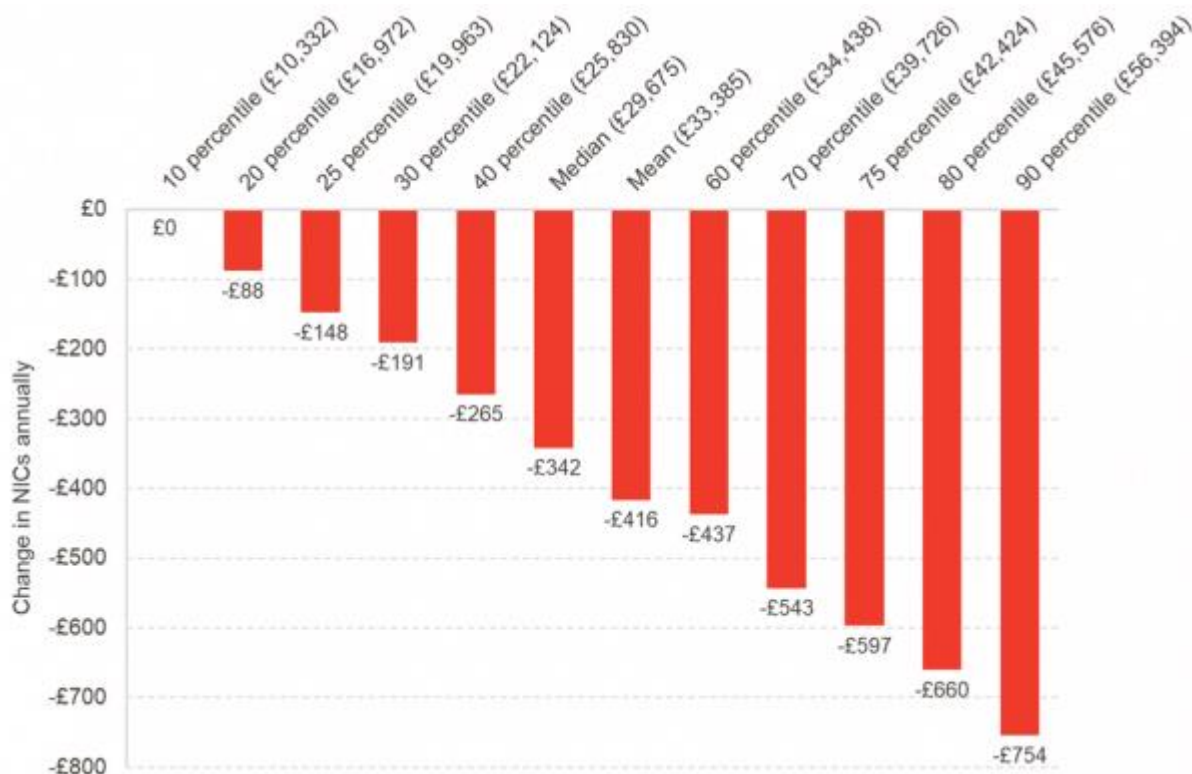
Living costs

- 4.1. The latest insights into the cost of living from the Office of National Statistics in January found:
- Just less than half (44%) of adults reported they were buying less food when shopping.
 - The same percentage, 44% of adults in Great Britain reported using less fuel, such as gas or electricity, in their homes because of the rising cost of living.
 - Rising food costs was the most commonly reported reason (by 91%) among the 49% of adults who said their cost of living had risen compared with a month ago.
 - Around 1 in 25 adults reported that their household had run out of food in January and couldn't afford to buy more.

5. Employment and Wages

- 5.1. The ONS has reported that on average regular pay excluding bonuses rose by 6.2% in the three months to December, compared with the same period a year earlier. That was a slight fall from the 7.3% increase seen in the previous quarter. Although earnings were not rising as quickly as they had been before, they were outpacing inflation, so wages were growing in real terms. Annual growth in both total pay and regular pay (excluding bonuses) remains strong but below the record growth rates seen in recent months.
- 5.2. As part of the UK Spring Budget announcement, the Chancellor announced a 2p reduction in National Insurance, which is expected to save the average employee £450. The Resolution Foundation reports that the largest net tax cuts going to those earning £50,000 (who will gain £1,200) while taxpayers earning £19,000 or less will be worse off, losing more from threshold freezes than they gain from rate cuts. There are also reductions in National Insurance for self-employed people from 8% to 6%, expected to be worth an average of £350 a year.

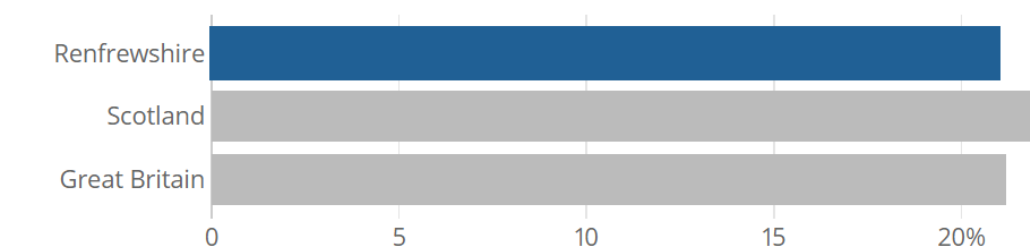
- 5.3. The following graph shows the change in annual liability for National Insurance Contributions for Scottish employees across the income distribution, produced by Fraser of Allander from ONS data.



- 5.4. According to the ONS, the Claimant Count, which is taken from JobcentrePlus administration systems, for those claiming unemployment-related benefits in Renfrewshire remained the same in December 23 compared with the September figure last reported at 3.1%. This equates to 3,585 people aged between 16 and 64 and is up from December 2022, when there were 3,485 claimants.
- 5.5. Around 23,500 people or 21.0% of the population aged 16 to 64 years in Renfrewshire were "economically inactive" in the year ending September 2023. This is a reduction when compared with around 26,800 people (23.7%) in the year ending September 2022. People are classed as "economically inactive" if they are not in employment but don't meet the criteria for being "unemployed". This means they have not been seeking work within the previous four weeks or were unable to start work within the next two weeks. Common reasons include being retired, looking after the home or family or being temporarily or long-term sick and disabled.
- 5.6. Economic inactivity in Renfrewshire is lower than across Scotland, where 22.1% of people aged 16 to 64 years were economically inactive during the year ending September 2023 and Great Britain with 21.2%.

Economic inactivity in Renfrewshire compared with Scotland

Residents aged 16 to 64 years (%), year ending September 2023



Source: Annual Population Survey from the Office for National Statistics

- 5.7. Recent data released from the OBR indicates that the increase in economic inactivity after the pandemic is lasting longer than expected. Although policies like childcare expansion and welfare reform are expected to increase labour supply, the impact is offset by the ‘fiscal drag’ from frozen personal tax thresholds. As a result, the labour participation rate is projected to decline from its pre-pandemic peak of 64.3% to 62.8% by 2028. This means the share of people not in the labour force is expected to shrink further rather recovering.

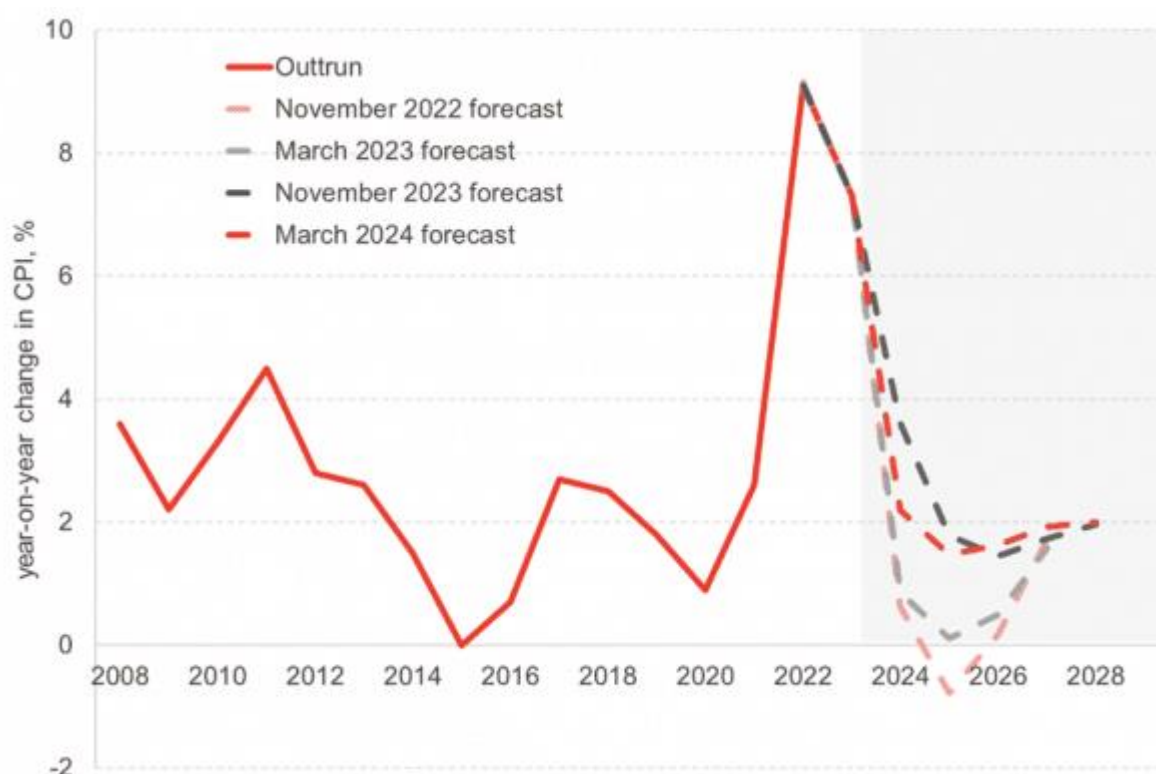
6. Benefits

- 6.1. From April 2024, Department for Work and Pensions benefits that are linked to inflation will be uprated by 6.7%, as will those administered by the Scottish Government and inflation-linked tax credits elements and benefits administered by HM Revenue and Customs. By convention, inflation is usually assessed in the 12 months to September before a new financial year and the level of inflation measured at this point is then used to uprate benefits from the following April.
- 6.2. Since the inflation rate of 6.7% used for this purpose is likely to be higher than average inflation for the 2024/25 financial year, April 2024 benefit rates are likely to involve a real-terms increase on 2023 levels. Although a real-terms increase in benefit rates was also observed in April 2023, earlier years tended to involve below inflation increases. The combined impact of this means that April 2024 benefit rates will be lower in real-terms than they were a decade earlier in April 2014.
- 6.3. For 2024/25 the basic State Pension and new State Pension will be increased by 8.5% in line with earnings growth.
- 6.4. On 19 December 2023, the Deputy First Minister announced that all Scottish benefits would be uprated by the rate of inflation at September 23, an increase of 6.7%. This increase takes place in April, and includes the Scottish Child Payment which will rise from £25 to £26.70 per eligible child.
- 6.5. In addition, changes have been made to Best Start Foods from 26 February 24, increasing the number of people who can access this benefit across Scotland by an estimated 20,000. Before the changes came into force, the benefit was paid to people who receive qualifying benefits (such as Universal Credit) as long as their incomes did not pass certain limits. Those income thresholds have now been removed which means thousands more will be able to successfully apply for the benefit.

- 6.6. Best Start Foods is a payment that supports parents to buy healthy foods like milk or fruit during pregnancy and for children up to 3 years old. It is paid every 4 weeks. The 4 weekly amount is:
- £19.80 during pregnancy (you'll get the same amount whether you're having one or more babies)
 - £39.60 for each child from birth until they're one year old
 - £19.80 for each child aged between one and 3 years old
- 6.7. As part of the UK Spring Budget, the Chancellor also announced changes to the child benefit thresholds, with full child benefit will be paid to households where highest-earning parent earns up to £60,000 (raised from the current limit of £50,000) and partial child benefit paid where the highest earner earns up to £80,000.

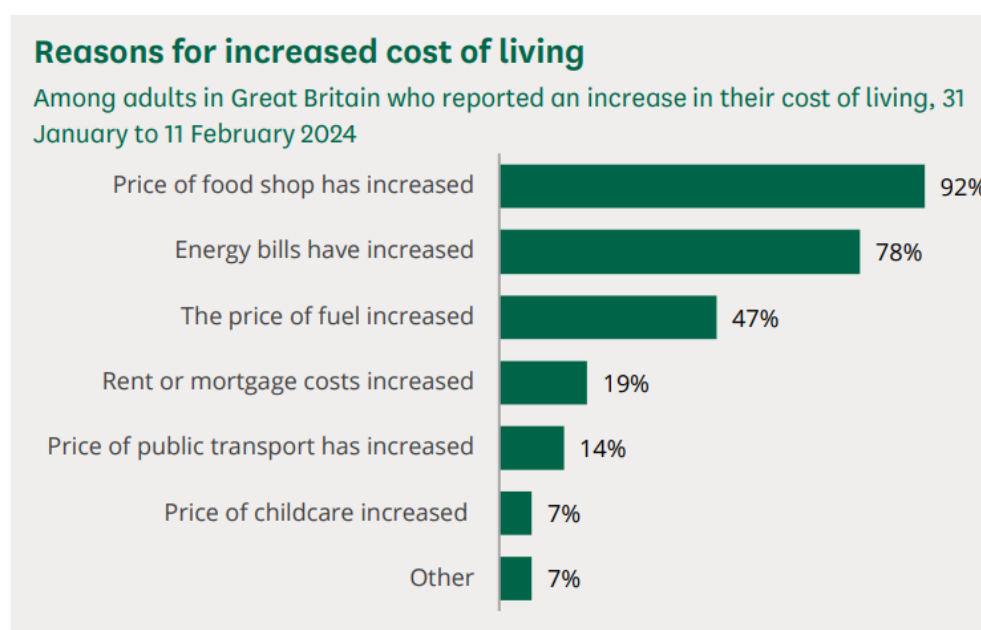
7. Inflation and the Impact on Households

- 7.1. UK consumer prices, as measured by the Consumer Prices Index (CPI) were 3.4% higher in February 2024 than a year before, reduced from 4% on January 2024.
- 7.2. Inflation is now well below its peak in 2022 and is expected to continue falling in 2024, although more gradually than in 2023, but it is still almost double the Bank of England's 2% target. The fall to 3.4% represents a slightly bigger fall than was forecast, and the central bank is forecasting that CPI will fall below 2% in April and stay there over the summer period. The following graph shows CPI inflation forecasts from the OBR.



- 7.3. The fall in the Consumer Price Index in February was consistent across most categories and driven by a further fall in inflation for food and non-alcoholic beverages, which fell from 7% in January to 5% in February. Food inflation peaked at 19.1% in March 2023.

- 7.4. In addition, recent disruption to shipping traffic in the Red Sea and Suez Canal, has resulted in higher shipping costs and many ships being diverted to the lengthier and costlier routes around the south of Africa. This could potentially raise input costs for some products being imported to the UK. The consensus view, however, seems to be that the impact is still very uncertain and dependent on future events in the Red Sea and Middle East more widely. Any inflationary effects may also take some time to filter through to prices faced by consumers.
- 7.5. According to an Office for National Statistics (ONS) survey from January and February 2024, 46% of adults in Great Britain reported an increase in their cost of living compared to the previous month.



Source: ONS, [Public opinions and social trends. Great Britain: household finances](#), 16 February 2024

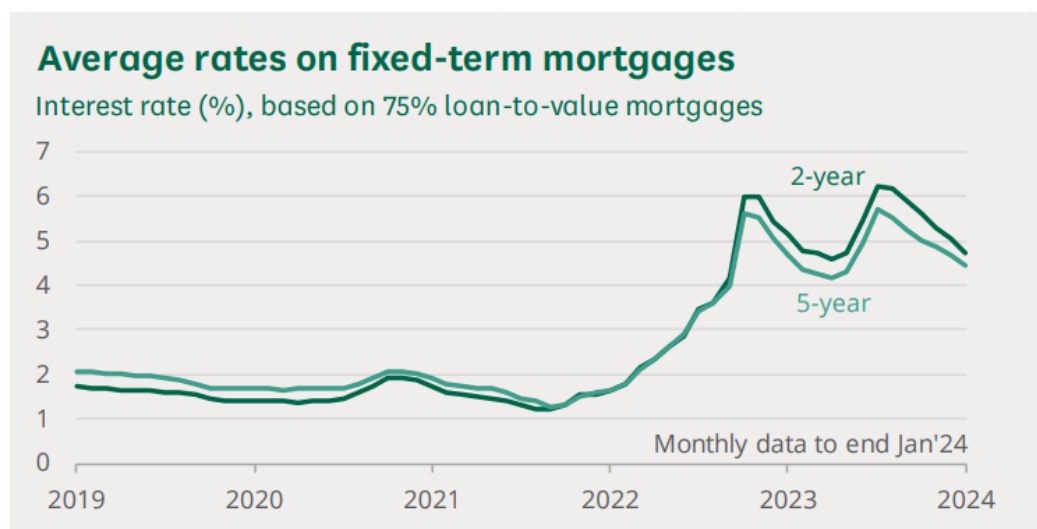
- 7.6. Real household disposable income is now forecast to return to pre-pandemic levels in the next year, which is two years earlier than previously forecast. While the financial year 2022-23 remains the most significant year-on-year decline in living standards since the 1950s, the OBR now anticipated average annual growth of around 1 percent in living standards over the forecast period.
- 7.7. Low-income households are most affected by rising prices. ONS data shows that households with the lowest incomes experience a higher than average inflation rate, while the highest-income households experienced lower than average inflation. This disparity is due to low income households being more affected by high food and energy prices as they spend proportionately more of their income on these essentials.
- 7.8. Food bank charities are reporting an increase in demand: across the UK Trussell Trust reported that between April and September 2023 they provided 1.5 million emergency food parcels, a record high for this period, and a 16% increase from the same period in 2022.

Trussell Trust

- 7.9. In their research published on the 21 February, the Trussell Trust reported that 51% of people receiving Universal Credit in Scotland ran out of food in the previous month and couldn't afford more. They also reported that in the last three months, 20% of people claiming Universal Credit in Scotland were unable to cook hot food as they couldn't afford to use the oven or other utilities. Although these figures are concerning, it should be noted that they were based on an online survey of only 152 adults in January/February.
- 7.10. In Renfrewshire we have seen an approximate 3% increase in foodbank voucher numbers year to date in 23/24 (end of Quarter 3) compared to the same time last year. The numbers of children covered by the vouchers has increased by 3% also, at 2,132 compared with 2,064 last year at this time. Adult numbers have increased by over 4% to 4,953 to end Quarter 3.
- 7.11. The vast majority of vouchers have been provided to those with benefits only as their income – 3,108, while 143 of vouchers went to those earning and receiving benefits, and 148 to those working. While local figures are not comparable to those collected by Trussell Trust on a national basis, the rising costs of essentials is cited as the number one reason for voucher issue in Renfrewshire, at 1,875 times to date and debt cited nearly 700 times.
- 7.12. A fuller analysis of Renfrewshire Foodbank figures will take place at the end of the financial year.

8. Interest Rates

- 8.1. The Bank of England has a target to keep inflation at 2%, but the current rate of 4% in December 23 and January 24 remains double that. The Bank of England has increased interest rates to try and get the inflation rate back to its 2% target. Interest rates were raised at 14 consecutive policy meetings from 0.1% in December 2021 to 5.25% in August 2023. At its subsequent meetings the Bank of England's Monetary Policy Committee (MPC) left interest rates unchanged at 5.25%. The next announcement on interest rates will be 21 March.
- 8.2. As reported in the UK Parliamentary briefing of 16 February, financial markets and the vast majority of economists don't expect any further interest rate increases from the Bank of England. The view held by most is that with the inflation rate expected to fall and economic growth weak, there is less need to continue to raise rates further. Economists and financial markets have turned their attention to when the Bank of England may start to cut rates and, as of mid-February 2024, are expecting three reductions in interest rates in 2024, taking rates from 5.25% down to 4.50%.
- 8.3. Continued high rates have led to higher borrowing costs for households, notably mortgage interest rates which rose sharply from the very low rates seen previously. Around 1.6 million households whose fixed rate mortgages end in 2024 face higher mortgage costs, although with the rising likelihood that the Bank of England had completed its cycle of interest rate increases lower mortgage rates being offered, as shown in the chart below.



Source: Monthly data to January 2024, Bank of England, [Quoted household interest rates](#) (accessed 14 February 2024), at 75% [LTV](#)

9. Housing costs

Local Housing Allowance changes

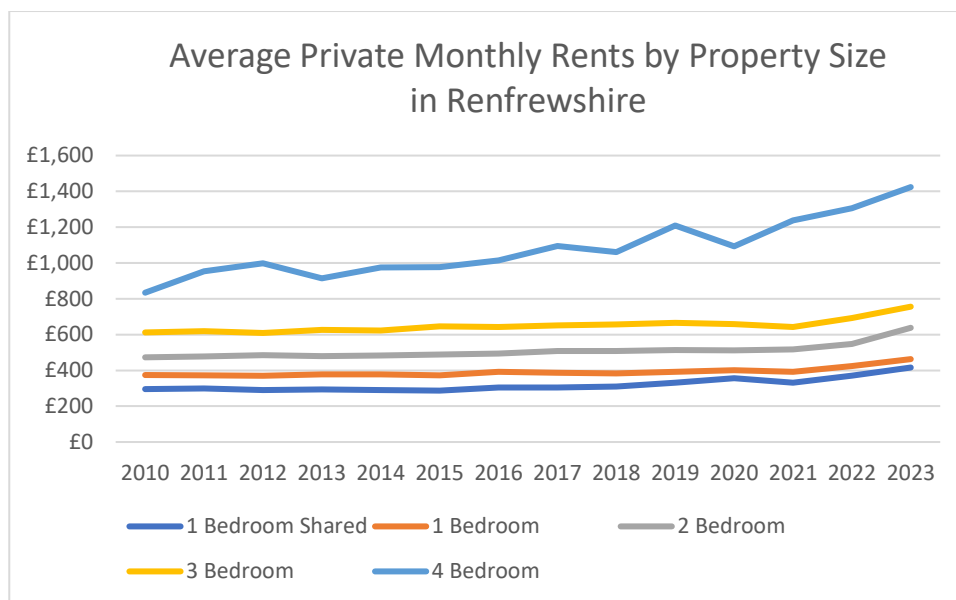
- 9.1. Local Housing Allowance (LHA) rates are used to calculate the maximum amount of Housing Benefit (HB) and Universal Credit (UC) housing costs entitlement for tenants renting from private landlords. In the Chancellor's 2023 Autumn Statement it was announced that in April 2024 the LHA rates would be revalued to match the 30th percentile of local rents within any area. This means that the cheapest 30% of private rents in an area should be affordable to people claiming HB or UC.
- 9.2. LHA rates had been frozen since April 2020, leaving poorer households with increasingly large shortfalls in housing support as rents have risen. The proportion of privately renting households in the UK on UC who did not have their full rent covered by housing support rose from 53% in April 2020 to 63% in April 2023. For Renfrewshire the figures rose from 64.8% in 2022 to 70% in Nov 23. This means that 70% have a rent which is already higher than the current applicable LHA rate. It is too early to ascertain whether the increase in LHA rates will reduce the 70% figure as rents may increase at the same time the LHA increases.
- 9.3. For the Renfrewshire and Inverclyde area, the LHA rate comparisons are detailed below:

Renfrewshire and Inverclyde Rates					
LHA Category	2023 Weekly LHA Rate	2024 Weekly LHA Rate	2023 Monthly LHA Rate	2024 Monthly LHA Rate	Average Monthly Rent as at Sep. 2023
1 Bedroom Shared	£67.66	£82.85	£294	£360	£416
1 Bedroom	£80.55	£92.05	£350	£400	£463
2 Bedrooms	£103.56	£120.82	£450	£525	£638
3 Bedrooms	£126.58	£138.08	£550	£600	£756
4 Bedrooms	£230.14	£253.15	£1,000	£1,100	£1,424

- 9.4. It should also be noted that the LHA rates will be re-frozen from this year. This means that April's rise may bring only temporary relief to households receiving housing support, which are struggling with rising housing and living costs.
- 9.5. Households impacted by the Benefit Cap may not receive the full amount of additional entitlement the uprated LHA rates provide from April as the Benefit Cap which limits the total amount of benefit they can receive. The cap applies to most people aged 16 or over who have not reached State Pension age and may mean that, dependent on their current benefit levels, they will receive limited or no increase in support. This particularly affects privately renting out of work families with children. The Benefit Cap thresholds were not uprated for 2024.
- 9.6. Shortfalls between LHA rates and rents will place additional pressures on Discretionary Housing Payment (DHP) funding, paid by Local Authorities, which can support households bridge the gap when they are not able to meet their rental costs. DHP awards can also be made to assist households who are impacted by the Benefit Cap. The Scottish Government have not yet notified 2024/25 DHP funding allocations.
- 9.7. It should also be noted, that due to the expiry of the rent cap provisions within the Cost of Living (Tenant Protection) (Scotland) Act 2022, landlords may increase rents to a higher amount than the LHA rate uplift. It would also be possible that landlords who currently charge rent equal to or less than the current LHA rates, could potentially increase their rents either using the new LHA rates as a baseline, or indeed to a higher level because of increased lending interest rates.

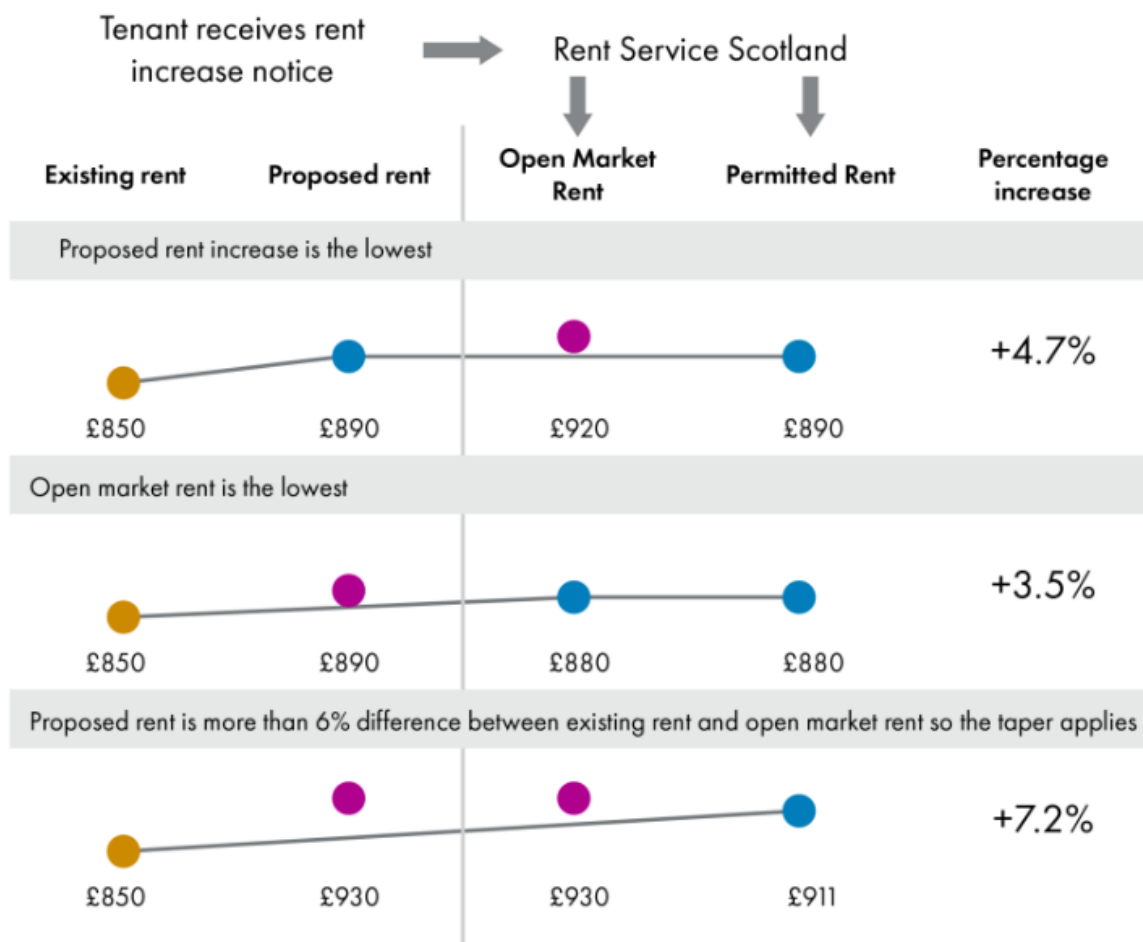
Tenant Protection

- 9.8. The Cost of Living (Tenant Protection) (Scotland) Act 2022 came into force in October 2022 as an emergency temporary response to the Cost-of-Living Crisis. The legislation when introduced, implemented a rent cap for private, social and student rented accommodation effectively freezing rents, and provided protection against eviction.
- 9.9. Changes to the legislation resulted in the rent cap ending for social sector rents and in relation to student residential tenancies from 1 April 2023. For private sector rents, the rent cap was varied and the 'permitted rate' by which rent could be increased during a tenancy raised from 0% to 3%. The rent cap section of the legislation expires on 31 March 2024.
- 9.10. As previously reported to the Sub-Committee, the rent cap only applied to existing tenancies, allowing landlords to significantly increase the rent of a property in between tenancies.
- 9.11. The Scottish Government has produced the following figures for private rents.



Percentage Increase in Average Renfrewshire Monthly Rents by Property Size					
Period	1 Bedroom Shared	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Increase between 2022 and 2023	12.43	8.94	16.64	9.09	9.04
Increase between 2010 and 2023	40.54	23.8	34.88	23.53	70.74

- 9.12. From 1 April 2024, private landlords will be able to increase rents for existing tenants by an uncapped amount. To support a transition away from the rent cap, the Scottish Government has laid draft regulations in the Scottish Parliament which propose to introduce a temporary change to the existing rent adjudication process. This change will mean that if a tenant feels that any rent increase is unreasonable, the tenant can make an application to the Rent Service Scotland (RSS) for a rent adjudication.
- 9.13. The RSS (which is part of the Scottish Government) will decide on what the rent should be based on the lowest of three factors: open market rent, the rent requested by the landlord, or an additional comparator which is effectively a new taper that is intended to support the transition away from the rent cap. The rent taper formula is summarised as:
- If the gap between the market rent and the current rent is 6% or less, then the landlord can increase the rent by the proposed amount, as long as this is not more than the market level.
 - If the gap between the market rent and the current rent is more than 6%, the landlord can increase the rent by 6% plus an additional one third of a percent for each percent that the gap between the current rent and market rent exceeds 6%. The total rent increase cannot exceed 12% of the current rent.
 - In both cases, the RSS cannot set a higher rent than that requested by the landlord.
- 9.14. If the legislation is passed in the Scottish Parliament, the new system will take effect from 1 April 2024 until 31 March 2025. Illustrative worked examples provided by The Scottish Parliament's Information Centre are below.



- 9.15. It should be noted that this is a temporary process until a new housing bill becomes law. The future housing bill is expected to be laid in Parliament before the summer recess of 2024, and this will seek to provide a long-term system of rent controls and create new rights for tenants.
- 9.16. From an extract of the Private Let Register taken on 31 January 2024, there were 10,390 private tenancies throughout Renfrewshire. This can be broken down by Council ward area:

Ward	Count
Renfrew North and Braehead	1,311
Renfrew South and Gallowhill	771
Paisley Northeast and Ralston	843
Paisley Northwest	2,175
Paisley East and Central	1,302
Paisley Southeast	665
Paisley Southwest	540
Johnstone South and Elderslie	631
Johnstone North, Kilbarchan, Howwood and Lochwinnoch	746
Houston, Crosslee and Linwood	551
Bishopton, Bridge of Weir and Langbank	432
Erskine and Inchinnan	423

- 9.17. Renfrewshire Council's Homeless Service recognises that there is likely to be an impact with the ending of the protections, as it may well lead to more rent arrears and evictions. Any impact will be closely monitored by officers. The tenant's union, Living Rent, suggests that the expiry of the protections will result in "a tidal wave of rent increases, de-facto evictions and a sharp rise in homelessness".
- 9.18. It is not known how many landlords in Renfrewshire will increase rents, and by how much. Landlords will make individual decisions taking into consideration many factors including any cost of borrowing tied to the property. It should be expected that due to the legislative changes, the number of tenants seeking housing advice will increase, either via Advice Works, Renfrewshire Citizens Advice Bureau, and/or Homeless Advice Services.
- 9.19. Furthermore, any large increases in rent will likely result in additional pressures on the 2024/25 Discretionary Housing Payment Fund for those tenants entitled to Housing Benefit or Universal Credit. This could be to cover ongoing shortfalls within current tenancies, or to assist tenants find deposits and/or rent in advance if they are forced to move due to rent unaffordability.

Homelessness

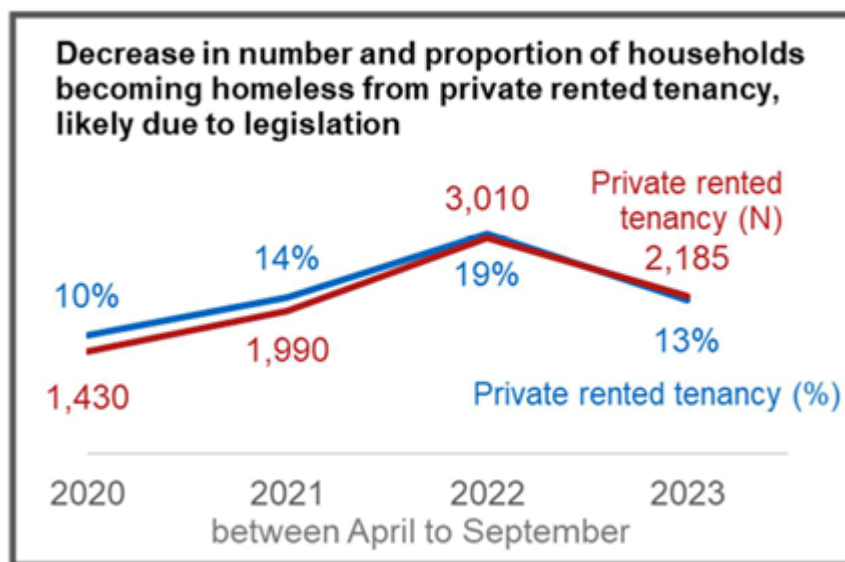
- 9.20. The Scottish Government published the "Homelessness in Scotland: update to 30 September 2023" statistics on 27 February 2024¹. The main findings of the statistical report show that in Scotland there has been an increase in homelessness applications, homeless households, open applications, and households in temporary accommodation.
- 9.21. In terms of homeless household composition, the national breakdown for the last two years is:

Households assessed as homeless (or threatened with homelessness) as a Percentage of all households assessed as homeless		
Household Composition	Year to End September 2022	Year to End September 2023
Single Household	65%	68%
Household that contains children	30%	27%
Male	55%	56%
Female	45%	44%
Aged 16-17	3%	3%
Aged 18-24	19%	19%
Aged 25-34	31%	31%
Aged 35-49	31%	31%
Aged 50-59	10%	10%
Aged 60+	6%	5%

- 9.22. The most common reasons for making an application for homelessness have remained constant since 2020, and as of September 2023, 26% being asked to leave and 20% due to disputes within household/relationship breakdown.

¹ <https://www.gov.scot/publications/homelessness-in-scotland-update-to-30-september-2023/documents/>

- 9.23. In Renfrewshire, between the end of September 2022 and the end of September 2023, there was an increase of 84, a nine percent increase in homelessness applications. Renfrewshire's proportion of homeless applications as a proportion of all applications was 3%, the same as North Ayrshire and West Dunbartonshire, while Glasgow's proportion was 19%.
- 9.24. The latest statistics show that there has been a decrease in the number and proportion of households becoming homeless from private rented tenancies, and it is suggested this is due to legislation – Cost of Living (Tenant Protection) (Scotland) Act 2022, which, as noted above, expires on 31 March 2024. We do not have a local breakdown of these figures.



10. Fuel – Energy Costs for Households

- 10.1. Every three months, Ofgem reviews and sets a level on how much an energy supplier can charge for each unit of energy. This is known as the price cap. From 1 April to 30 June 2024, the price cap will fall 12.3%. Therefore, an average household on typical usage, paying by Direct Debit for dual fuel will pay £1,690 a year, down £238 from the previous cap.
- 10.2. Although the overall cap has fallen, the cost for standing charges, the fixed daily amount which covers the cost of connecting to a supply, has increased for those paying by Direct Debit. Standing charges for prepayment meters have, however decreased to equalise them with Direct Debit charges. Therefore, if you are on the price cap from 1 April, prepay will now be the cheapest way to pay as unit rates are lower for prepayment meters compared to Direct Debit and standard credit.
- 10.3. From 1 April, energy suppliers will also be adding a one-off extra payment of £28 per year (£2.33 per month) to bills of people who pay for their energy by Direct Debt or standard credit. This is to ensure suppliers have sufficient funds to support customers who are struggling as energy debt increased to £2.9bn at the end of September 2023.
- 10.4. As has been reported before, the price cap does not cap your bill, but rather the amount you pay per unit. Where customers use more energy, they pay more. The current fall in price cap means

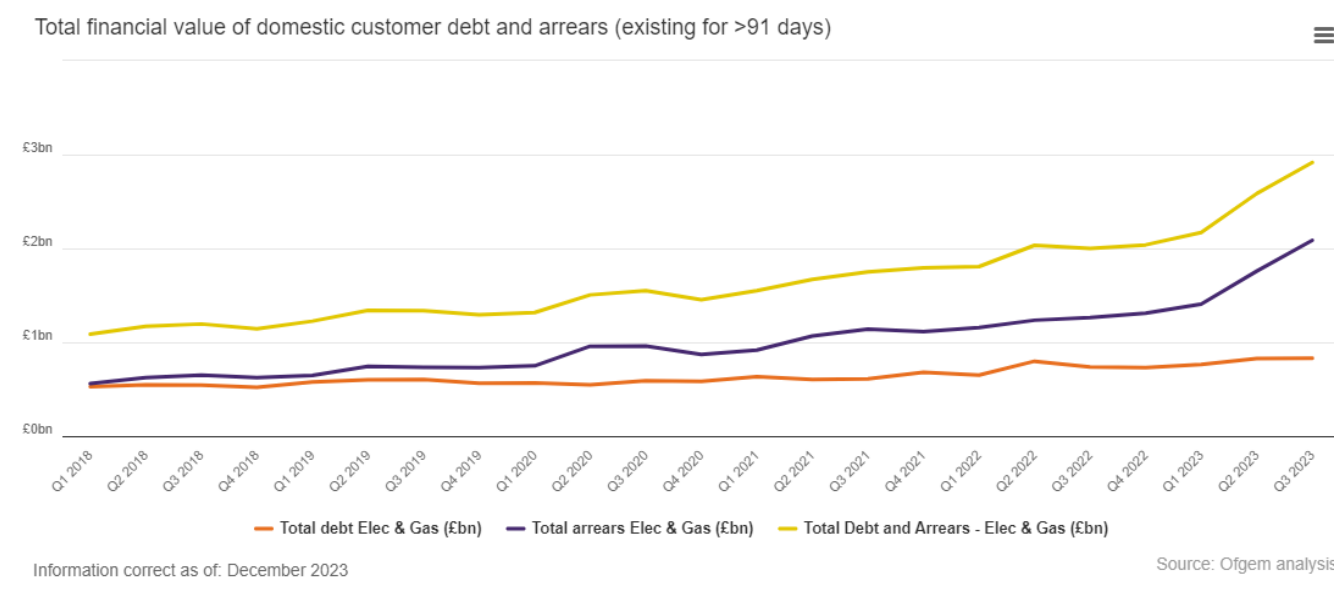
that for every £100 of energy used now, the cost will be £87.70 from 1 April 24. According to the Commons Library briefing, the energy cap is expected to fall further in the next quarter, although it also states that forecasts are so uncertain, there are no guarantee that prices will fall later in 2024. It should also be noted that despite these lower prices falls typical bills under the April to June 2024 price cap will still be almost 40% higher than in winter 2021/22.

		Daily Standing Charge (pence per day)		Unit Rate (pence per KWh)	
		January-March 2024	April-June 2024	January-March 2024	April-June 2024
Direct Debit	Electricity, single rate	62.08	63.31	28.16	23.97
	Electricity, multi-rate	62.06	64.56	27.19	22.71
	Gas	29.6	31.67	7.37	5.96
Standard Credit	Electricity, single rate	69.21	68.97	29.64	25.24
	Electricity, multi-rate	69.17	68.93	28.62	23.9
	Gas	34.97	35.21	7.76	6.27
Prepayment Meter	Electricity, single rate	68.95	63.31	27.72	23.2
	Electricity, multi-rate	68.92	64.56	26.84	22.12
	Gas	40.42	31.67	7.19	5.72

Table 1: Changes to Energy Price Cap Standing Charges and Unit Rates for Southern Scotland – multi rate includes Economy 7 and tariffs where different prices are paid different times of the day.

- 10.5. New research from Citizens Advice reveals 5.3 million people are in debt to their energy supplier. On 23 September, Citizens Advice Scotland responded to the energy price cap announcement, stressing that even though prices are coming down they are still too high for many households.
- 10.6. They stated that in the context of the ongoing cost of living crisis that people are still struggling to pay bills, particularly the many who have had to go into debt to cover their energy costs since the price surge in 2022. Previous CAS research on energy affordability has found that:
- Nearly 3 million people report switching the heating off when it's cold, wrapping themselves in blankets and extra layers instead.
 - 1.4 million people regularly sit in the dark, with no TV or laptop/tablet on, to save on energy bills.
 - Nearly 3 million people in Scotland have cut back on food as a result of rising energy bills.
 - Tens of thousands of people in Scotland have been forced onto pay as you go energy meters against their will.
 - Over 300,000 people say they are concerned about energy debt.
 - In December 23 the average energy debt for people seeking complex debt advice was £2,307 – up nearly £500 compared to the same time last year.
 - 185,000 people say they have changed their bathing habits to save on hot water – they're sharing bathwater or showering at work or at the gym.

- 10.7 Ofgem's latest estimate shows there are £2.9 billion of arrears across the domestic energy market (by the end of Q3 2023), an increase of £0.3 billion since Q2 2023.



Implications of the Report

1. **Financial** – There are no financial implications associated with this report, which provides an overview of the position and is for noting.
2. **HR & Organisational Development** – none
3. **Community/Council Planning** – This report provides a detailed summary of the current evidence relating to household income and expenditure. Wider poverty related issues are a key element of both the Council and Community Plan and the information included within this report is part of the wider Strategic Needs Assessment for these plans.
4. **Legal** - none
5. **Property/Assets** - none
6. **Information Technology** - none
7. **Equality and Human Rights** – The report provides an overview of the position around household income and expenditure, and is for noting. As such there are no impacts arising from the recommendation of this paper. It is however important to note that impacts on households explored within this paper are likely to be disproportionately felt by equality groups.
8. **Health and Safety** - none
9. **Procurement** – none
10. **Risk** – none

11. **Privacy Impact** – none
12. **COSLA Policy Position** – none
13. **Climate Risk** – none

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