

Fairer Renfrewshire

Cost of Living Dashboard

October 2024

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Cost of Living Dashboard

This dashboard has been developed to provide a summary of key indicators relating to how local households might be impacted by the cost-of-living crisis


It has four key sections: economy, social security, financial insecurity and housing

Each section has an overview with key indicators and their movement from the last period, supported by additional information and graphs showing further analysis and longer-term trends

The dashboard is still in development, and feedback is welcome on the information included and its presentation to ensure it is a useful tool

OVERVIEW

Key statistics - economy

 **5.00%**

Bank of England base rate
(September 2024)

 **£18.33**

Average hourly pay for a
Renfrewshire worker (excluding
overtime) (Scotland / £18.09)

 **1.7%**


Consumer Prices Index (CPI)
(September 2024)

 **133.86p**

Average fuel price for petrol
(October 2024)

 **1.8%**

Inflation rate for food and non-
alcoholic beverages
(September 2024)

 **£1,717**

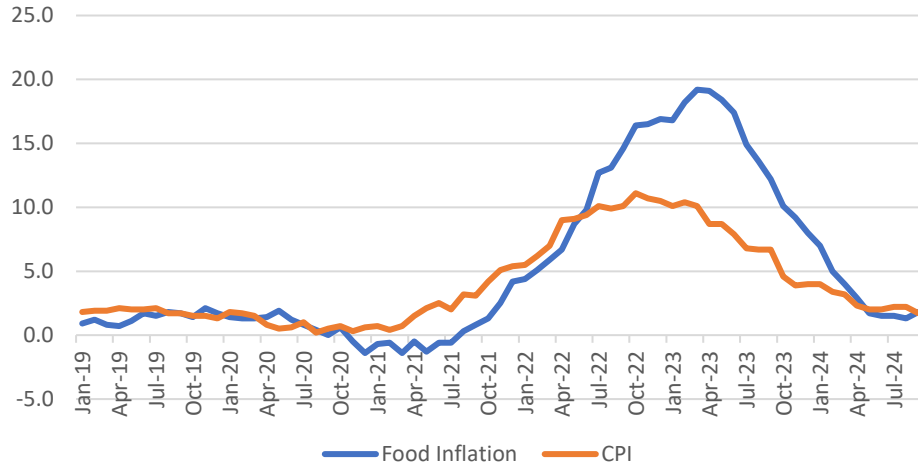
Energy price cap, typical use, direct
debit
(from October 2024)

- Inflation trend falling, driven by decreases in food inflation
- Reduction in interest rates
- Energy price cap rising, with prepayment meters comparatively cheaper than direct debit
- Hourly pay increasing, slightly ahead of Scotland average

Inflation

The inflation rate in October 2024 is 1.7%, down from 2.2% in August. The reduction is not consistent across all categories and there are differing future predictions, for example some forecasters suggest the poor summer weather, increase in energy costs and the ongoing conflict in the Middle East may lead to an increases in food prices.

CPI Inflation Rates

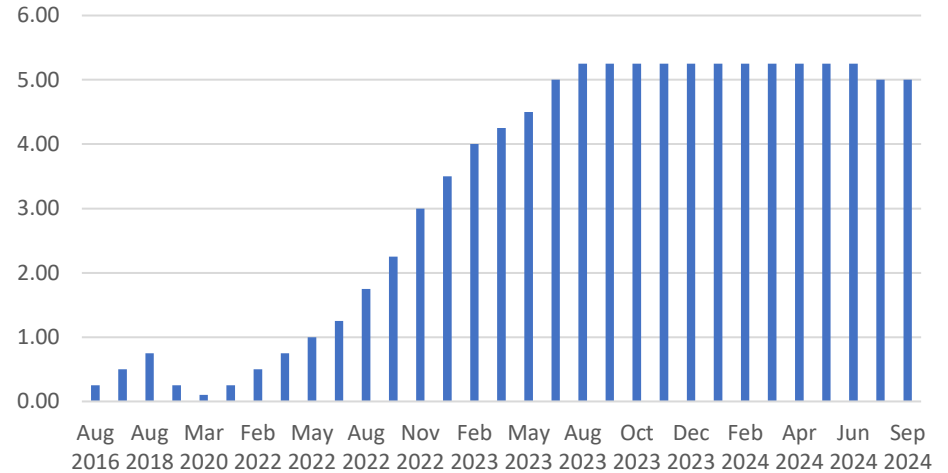


Interest Rates

The Bank of England's base rate reduced to 5.0% in August 2024, having increased significantly over the last year, peaking at 5.25% from August 2023.

Interest rate projections are difficult to predict, however many analysts are predicting modest decreases over the next two years. Analysts are predicting a further 0.25% reduction in November or December.

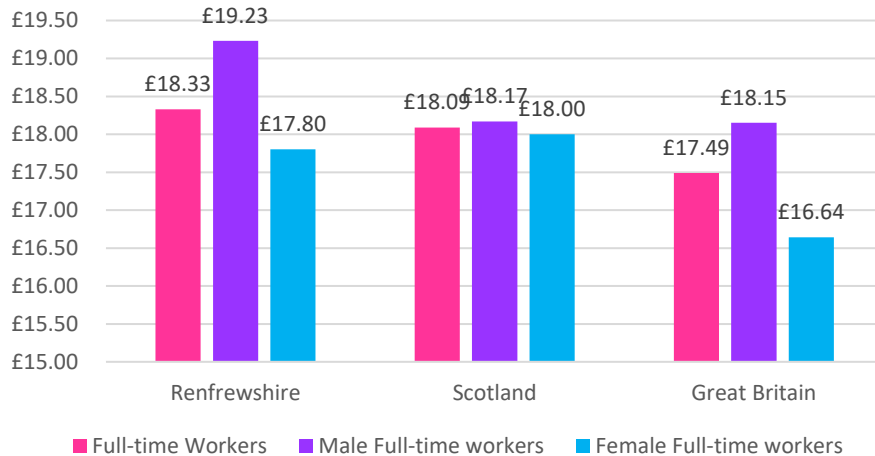
Bank of England Base Interest Rates



Earnings

Based on the ONS annual survey of hours and earnings, in 2023 the median hourly pay (excluding overtime) for workers in Renfrewshire is higher compared to that for workers in Scotland, or the rest of Great Britain.

It should be noted that the median hourly wage for females in Renfrewshire is less than that for workers in Scotland. The gender pay gap has been declining slowly over time.



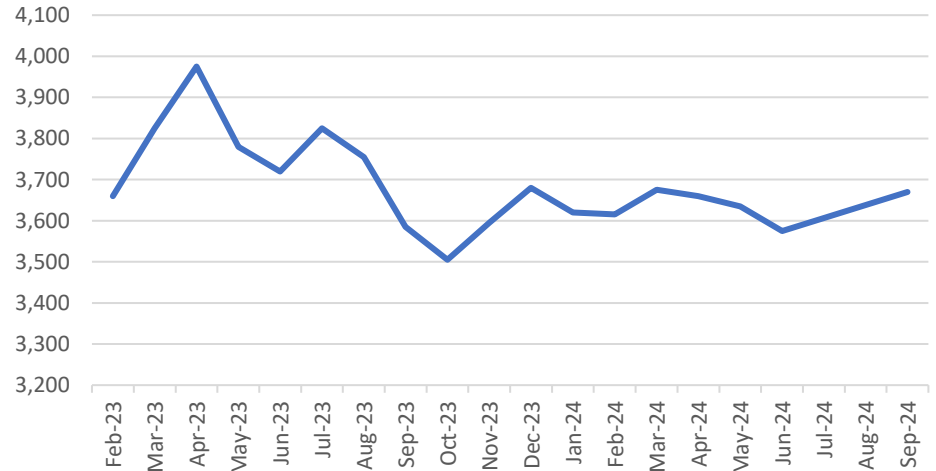
Employment Rate

The ONS Labour Force Survey shows the Claimant Count for those claiming benefits 'principally for the reason of being unemployed', which now stands at 3,670. This is based on numbers claiming JSA and Universal Credit.

These numbers are based on those aged 16 and over.

The Renfrewshire unemployment rate of 3.2% is the same as Scotland (3.2%) but lower than that of Great Britain (4.3%).

Claimant Count

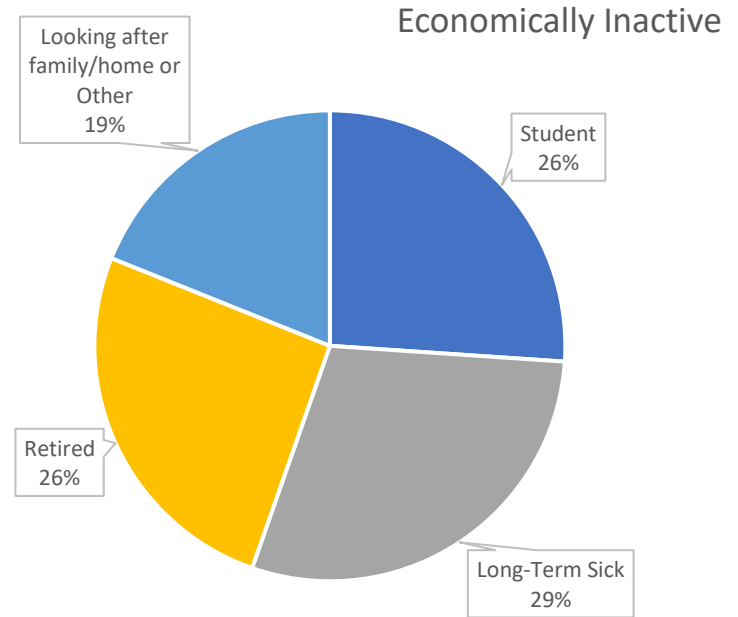


Economic Inactivity

The ONS Labour Force Survey also provides details on those aged 16+ that are economically inactive and not seeking work. Between July 2023 to June 2024, of the 28,000 people aged 16-64 that are classed as economically inactive, 88.4% are not looking for employment (either in the long-term or short/medium term).

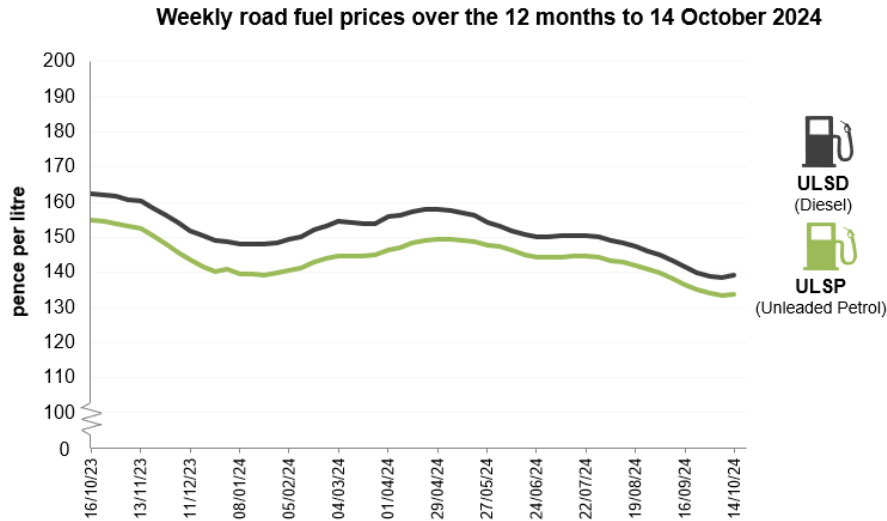
The percentage of economically inactive people aged 16-64 that want to gain employment (either in long-term or short/medium term) in Renfrewshire (11.6%) is lower than that of the rates in Scotland (17.3%) and Great Britain (17.8%).

Please note that due to the sample size within Renfrewshire, some categories do not have a reliable estimate (e.g. looking after family/home, temporary sick or other).



Fuel Prices

From the UK Government's weekly fuel price publication, the average UK pump price on 14 October 2024 is 133.86 pence per litre for petrol, and 139.08 pence per litre for diesel.

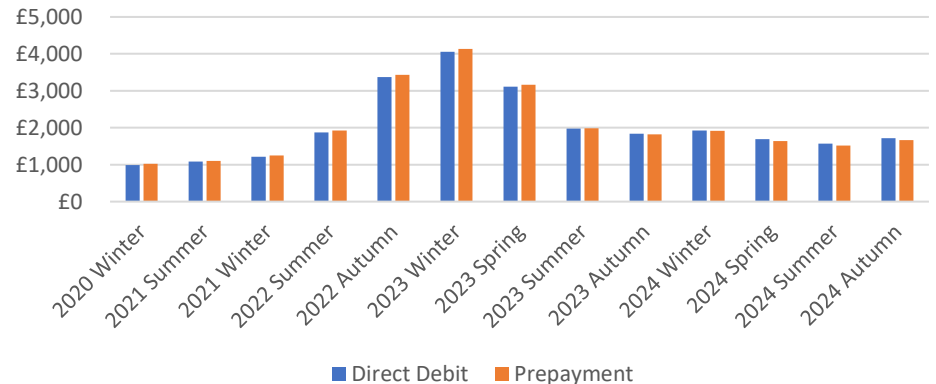


Energy Price Cap

The Energy Price Cap sets a limit on the maximum amount suppliers can charge for each unit of gas and electricity used and sets a maximum daily standing charge. That means there is no upper limit to what a user pays, if more energy is used, more is paid.

The Energy Price Cap now changes every three months mainly based on average energy wholesale prices in the months leading up to each change. From October 2024 the Energy Price Cap will rise to £1,717 per year for those on a monthly direct debit, and to £1,669 per year for those with a prepayment meter. Energy prices are predicted to increase further during the winter of 2024/25.

It should be noted that between October 2022 and June 2023, no one paid the full amount under the Price Cap due to the UK Government's Energy Price Guarantee which provided a discount on the Price Cap for households.



OVERVIEW


Key statistics - social security

 **15,998**

Household claiming Universal Credit
(May 2024 - Provisional)

 **5,075**

Children awarded a Clothing Grant
(end September 2024)

 **10,545**

Children in Renfrewshire receiving a
Scottish Child Payment
(June 2024)

 **4,404**

Children in receipt of Free School Meals
(end September 2024)

- Households claiming Universal Credit increasing, this includes new cases and managed migration from tax credits and legacy benefits
- Slight decrease in number of children receiving Scottish Child Payment compared to March 2024.

Universal Credit

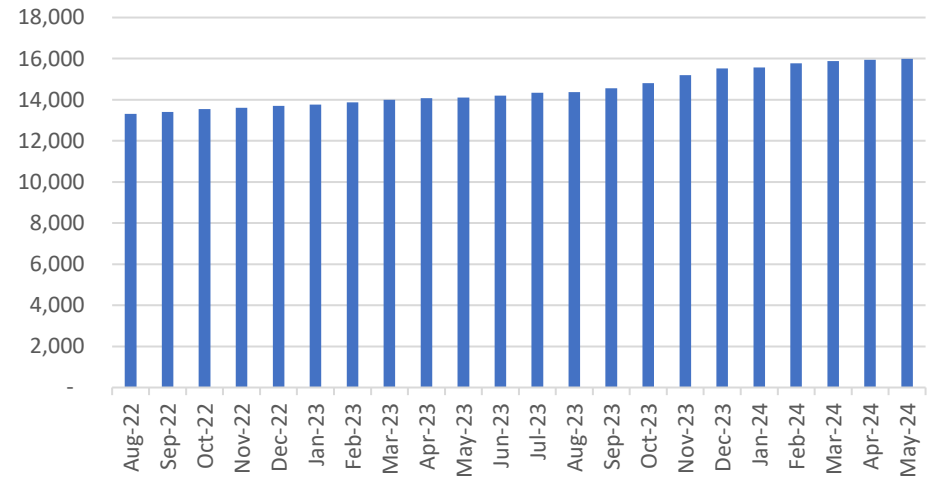
Households on Universal Credit (UC) continue to rise with 15,998 households in Renfrewshire receiving UC as of May 2024 (provisional figures).

Starting in August 2023, the managed migration from tax credits to UC contributed to the rises in the UC caseload, with the legacy tax credit caseload closing this year. From April 2024, the managed migration process has commenced for those claimants still on Income Support, Jobseeker's Allowance, Housing Benefit and Employment and Support Allowance.

Recently published DWP statistics show the impact of the two-child limit policy on families in receipt of UC or Child Tax Credits (CTC). As of April 2024, in Renfrewshire there are 1,200 households in receipt of UC/CTC with 3 or more children. Of these, 790 households are not receiving a child element/amount for at least one child.

The current monthly UC child element amount is £287.92 per month.

Number of Renfrewshire households on UC



Free School Meals and Clothing Grants

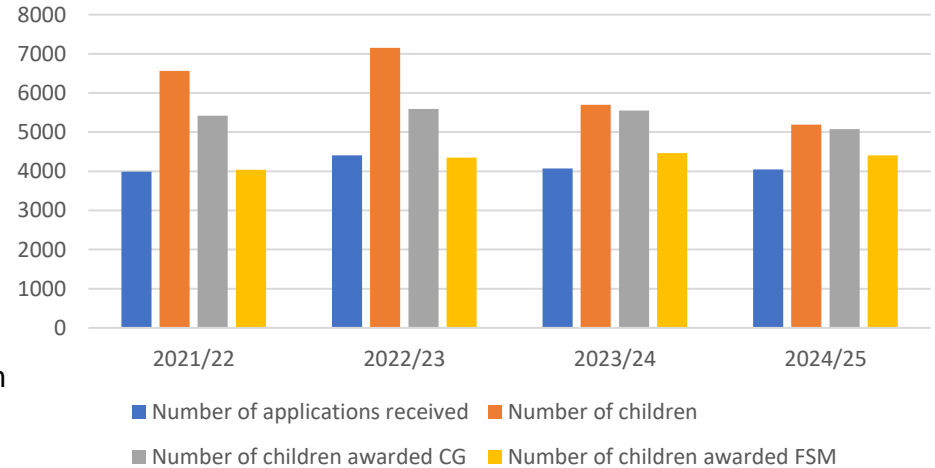
The 2023/24 Free School Meals and Clothing Grant application process commenced in June 2023 and closed in April 2024.

The 2024/25 Free School Meals and Clothing Grant application process commenced at the start of June 2024.

The number of applications received since June 2024 is fairly consistent with the corresponding period as last year. The number of children awarded a Free School Meal shows a small drop, however there is a drop of 474 children being awarded a Clothing Grant for the same period.

Please note, that there are a number of applications that have been received, where a decision has not yet been made which makes in-year comparisons difficult.

Period June to September



OVERVIEW

Key statistics - financial insecurity

↓ 2,927

Number of Crisis Grants awarded - spend of £308,840.
(April 24 - September 24)

↓ 2,584

Number of people who sought advice from Advice Works or Citizens Advice Bureau
(2024/25, Q2)

↑ 1,322

Foodbank vouchers issued (includes 844 children and 1,740 adults)
2024/25, Q2

↓ £0.9m

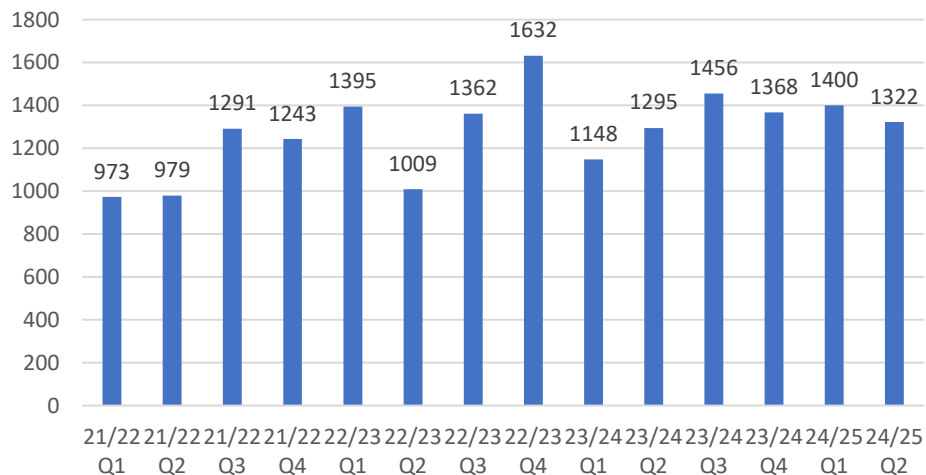
New case debt under management between Advice Works and Citizens Advice Bureau (2024/25 Q2)

- Foodbank vouchers issued down compared to last quarter, but an increase compared to the same period last year.
- Number of Crisis Grants applications received and awarded slightly down compared to the same period last year.
- Number of people approaching local advice agencies down this period, but wider trend is upward

Foodbank Vouchers

Foodbank vouchers issued in Q2 2024/25 (1,322) assisted 844 children and 1,740 adults.

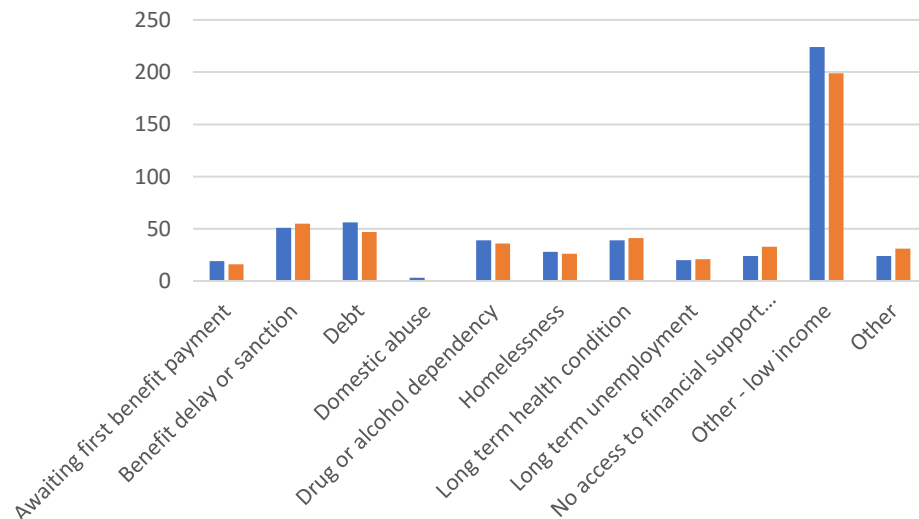
Foodbank Vouchers Issued by Quarter



More than 3 vouchers needed in the last 6 months

In terms of more than 3 vouchers needed in the last 6 months, there has been a steady increase in the number awarded due to a Benefit delay or sanction. This will be monitored going forward, due to an increase in the sanction regime being implemented within Universal Credit.

Reasons for needing more than 3 vouchers in the last 6 months - 2024/25

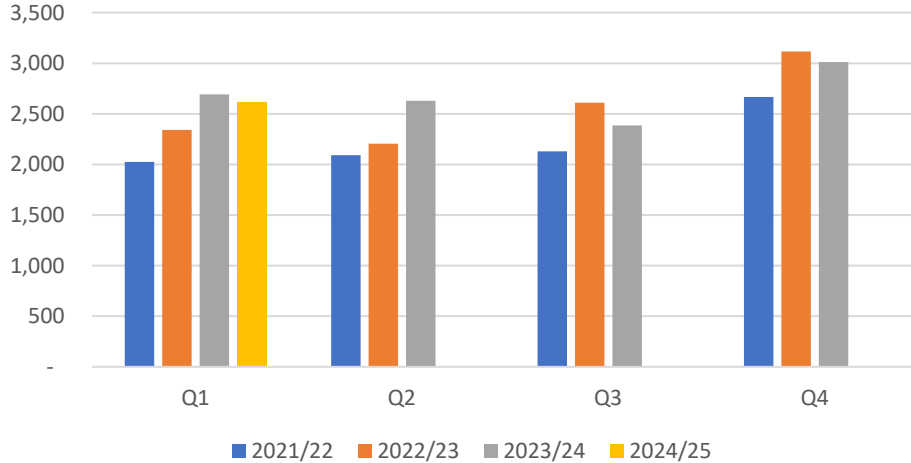


Advice

Advice Works and Renfrewshire Citizens Advice Bureau (RCAB) are supporting a high level of new clients. The number of clients who received appointment support during Q1 and Q2 2024/25 is only 5 less compared to the same period in 2023/24.

N.B. These figures do not include the number of calls/emails from people looking for signposting information.

Combined Advice New Client Cases



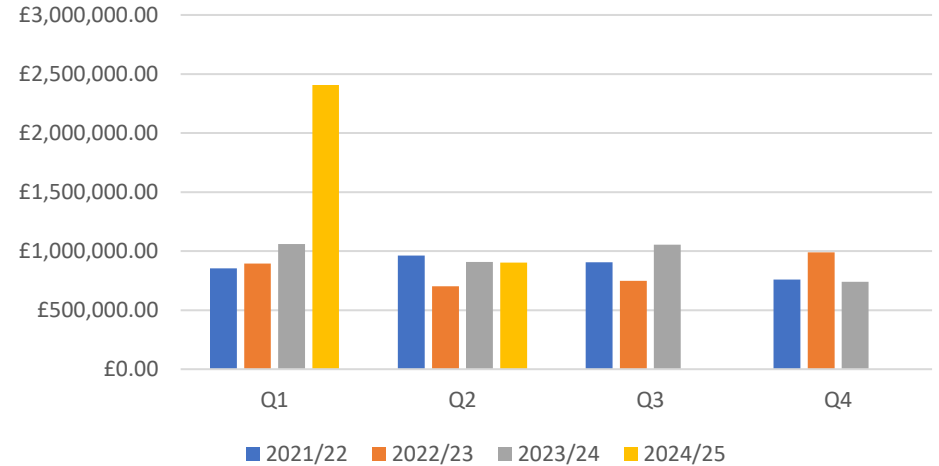
Debt Under Management

Advice Works and Renfrewshire Citizens Advice Bureau continue to deal with a high level of enquiries regarding debt.

The combined level of new debt cases under management is shown below, by quarter over the last 3 years.

By comparing the debt under management during Q2 2024/25 compared to Q2 2023/24, there is a 0.5% reduction. Whilst it might be too early to make a definitive statement, the levels reported in Q1 could be an anomaly.

Debt Under Management



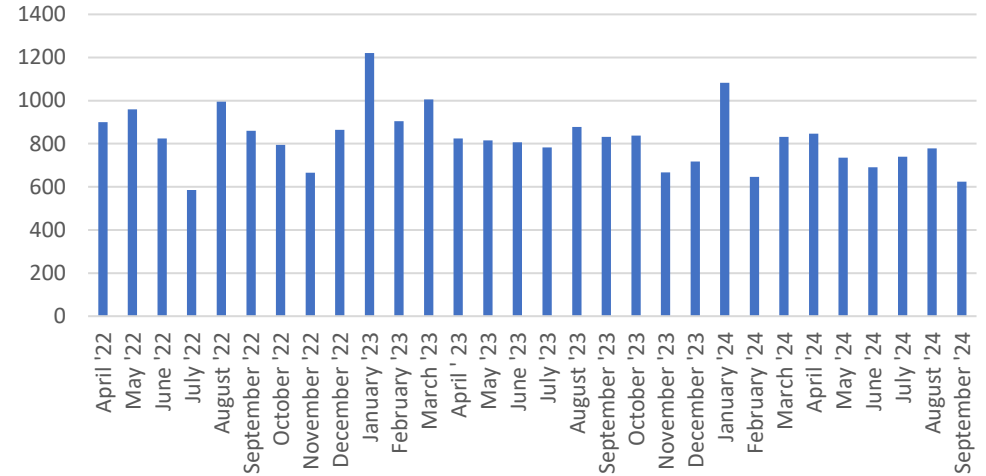
Scottish Welfare Fund

There have been 4,414 applications for Crisis Grants between April 2022 and September 2024 with £308,840 awarded. This is an average award rate of 66.3%.

Nationwide, the main reasons for a CG not being awarded are “reasons for application do not meet the conditions of award” and “excluded as a result of previous applications”. Generally, awards are restricted to 3 within a 12-month rolling period however discretion can be used. In Renfrewshire, discretion is frequently exercised. Cost-of-living pressures will for many households result in immediate financial crises more often with less flexibility to manage budgets.

Nationwide 52% of Crisis Grant awards are made to single persons, with 22% made to single parents. This suggests single people and single parents, who rely on one income within the household, are financially struggling in terms of income and disproportionately by expenditure due to housing, energy, fuel, and food costs.

Crisis Grant Applications by month




OVERVIEW

Key statistics - housing

 **4,964**

Number of applicants on the housing list
(End of year, 2023/24)

 **15,678**

Households in receipt of Council Tax Reduction
(October 2024)

 **244**

Number of new Homeless Cases
(2024/25, Q1)

 **4,951**

Number of tenants in rent arrears
(August 2024)

- New homeless cases marginally down this period, but wider trend is upward.
- Significant increase in people presenting who were either in private tenancies or living in parental/relative homes.
- More tenants in rent arrears this period, although a decrease in the value of arrears compared to same period last year.

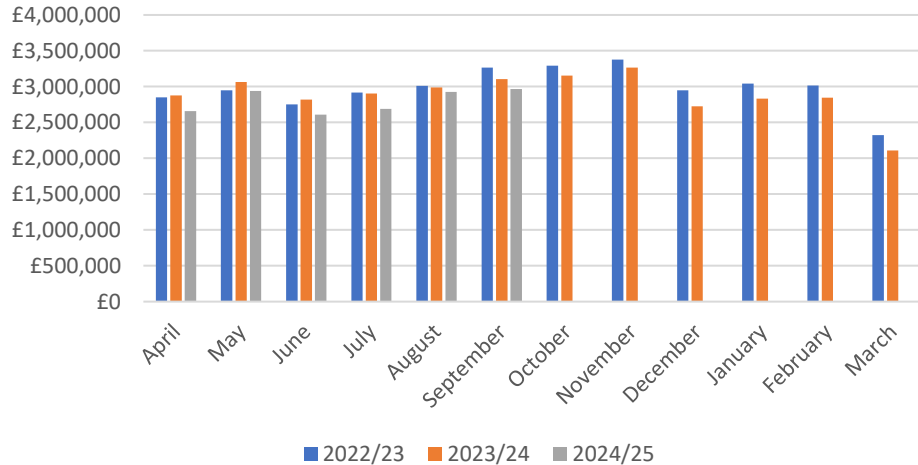
Council Tenants in arrears

As at the end of September 2024, 4,951 current tenants were in rent arrears totaling £2,967,918. This figure includes all levels of arrears some of which are caused by Universal Credit payment processes. Staff within Housing Services continue to work with tenants to address rent arrears and provide advice/signpost tenants to Support Services and Agencies where financial difficulties are identified.

For the period 1 April 2024 – 30 June 2024, 22 tenants have qualified for Tenant Support Fund assistance with circa £1,390 awarded.

Renfrewshire Council tenancy rents increased by 6% this year.

Current Tenant Arrears

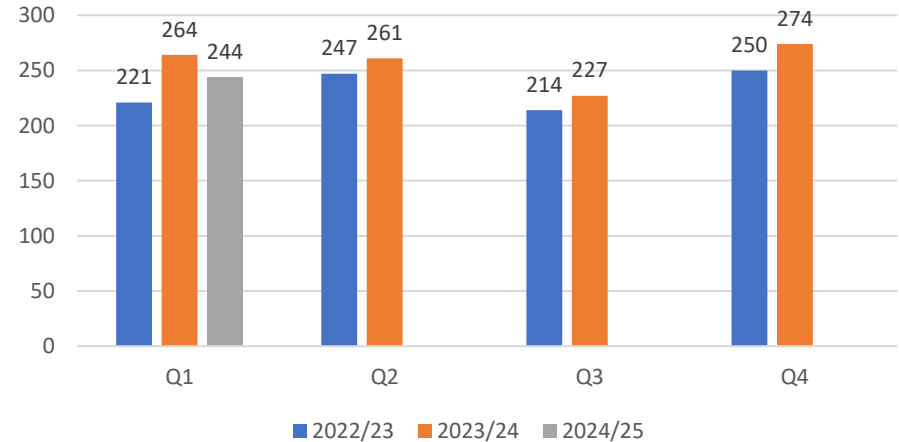


Homeless Cases

The Housing and Homeless Advice Service had 244 new cases within Q1 in 2024/25 compared to 264 for the same period in 2023/24. Homeless Services are predicting over 1,000 cases in 2024/25, with a significant increase in the number coming from the private sector.

There was a 10% increase in homeless applications in 2023/24 compared to the previous year with the yearly total (1,026) being at the highest level for ten years. The largest increases in reasons given are being asked to leave, disputes/breakdown in relationship or other action taken by the landlord resulting in the termination of the tenancy. Financial difficulties could be a contributing factor to, or a consequence of the reasons given.

New Homeless Cases



Average Monthly Rent Costs

From the Office for National Statistics' local housing statistics publication dated October 2024, figures show average rent changes. These statistics are based predominantly on advertised rents, and so do not represent rent changes for existing tenants.

Average Monthly Rents in Renfrewshire	Sep-24	Change in Annual Average Rents
1 Bedroom	£474	7.5%
2 Bedroom	£630	7.5%
3 Bedroom	£818	8.6%
4 Bedroom	£1,465	7.5%

Local Housing Allowance (LHA) rates are the maximum amount that can be paid for Housing Benefit and Universal Credit (Housing Costs) for those renting from a private landlord. Any shortfall between charged rent and the amount of Housing Benefit/Universal Credit Housing Costs awarded would have to be made up by the tenant, although Discretionary Housing Payments can be awarded to provide support.

Renfrewshire Monthly LHA Rates	March 2023 LHA Rate	April 2024 LHA Rate
1 Bedroom Shared	£294	£360
1 Bedroom	£350	£400
2 Bedroom	£450	£525
3 Bedroom	£550	£600
4 Bedroom	£1,000	£1,100

Mortgage Affordability

Average house prices for all property types continue to rise. The house prices combined with recent higher rates have driven up the average monthly mortgage repayment amounts.

Whilst the Bank of England base interest rate fell in August 2024, it is expected that future rates will decline slowly and over a longer timescale to ensure inflation rates remain at levels consistent with the 2% target.

Type of Property	Average Price	Average Monthly Mortgage Repayment (Assuming 25 year repayment, 5 year fixed initial agreement and 10% deposit)
Flat	£98,400	£544
Terraced	£137,000	£759
Semi-detached	£195,000	£1,034
Detached	£329,000	£1,817