

Cost of Living Update

10th May 2023

- The overall inflation rate decreased to 10.1% in March from 10.4% in February. Inflation in key categories for the 12 months to 31st March was:
 - Clothing 7.2% (decrease from 8.1% in February)
 - Transport 0.8% (sharp decrease from 2.9% in February)
 - Housing, water and fuel 26.1% (slight decrease from 26.6% February)
 - Food and non-alcoholic beverages 19.1% (increase from 18.0% in February)
- Road fuel prices have continued to fall nationally, from an absolute peak reached in the week ending 2nd July 2022 (£1.92 for petrol and £1.99 for diesel), to around £1.46 for petrol and £1.60 for diesel per litre. It now costs less to fill a petrol Ford Fiesta (-14.5%) than 1 year ago.
- Nationally, gas prices have remained steady over the last 6 months due to the Ofgem price cap; however, in the 12-month period to February, prices soared by 129.4%. Similarly, the price of electricity has remained steady since October due to the price cap, but increased by 66.7% across a longer 12-month period. In contrast, the price of liquid fuel has seen more variation and continued to decrease over the same 12-months by -22.5%, becoming cheaper than solid fuel since January 2023. Solid fuel has increased by 25.1% in the same 12-month period.
- In 2021, 14.1% of Suffolk households were in Fuel Poverty, whereby the cost of heating a home with an energy efficient rating of Band D or below left the household's finances below the official poverty line. There was a higher proportion of households in fuel poverty living in Ipswich (15.0%) and East Suffolk (15.3%) with the lowest proportion in West Suffolk (12.1%). Compared to 2020, there was a reduction in the proportion of households in Fuel Poverty living in Ipswich (17.4% in 2020) and West Suffolk (12.9% in 2020). In contrast, the proportion of households in Fuel Poverty living in East Suffolk (15.0% in 2020, 15.3% in 2021) and Babergh (13.2% in 2020, 14.3% in 2021) had increased, while there was no change in Mid Suffolk (13.1%).
- **New Feature: "Mortgage Payment Map"**: The typical payment on a 5-year fixed mortgage for an average detached property across Suffolk averages at £2,782 per month with a deposit of £30,000 and a 25-year mortgage. With the same parameters, Babergh has the highest monthly mortgage payments at £3,050 per month, while Ipswich has the lowest at £2,470 per month. However, since 2018, the monthly mortgage repayments have increased the most in East Suffolk at 37%, followed by Mid Suffolk at 30%, Ipswich and West Suffolk jointly at 28%, and Babergh at 27%.
- In the East of England, private rental prices increased by 4.3% in the 12 months to January 2023, similar to the national trend. Data is not updated as frequently at local authority level. Using the available data for Suffolk, private rental prices for in the 12 months to September 2022, increased by 7.1%. In September the median monthly rent in Suffolk accounted for 28.9% of resident's gross monthly earnings with a wide variance in cost across the region. In West Suffolk, residents are paying 41.1% of their salary on rent with East Suffolk residents paying 25.0% of their salary on rent.
- The proportion of those age 16yrs+ claiming Universal Credit increased slightly between February and March to 9.4% of Suffolk adults.
- There were 1,079 Local Welfare Assistance Scheme applications in Suffolk during April, which was a 3% reduction from the previous month (1,329). Over the past 6 months the average number of applications was 2,152 per month, with a peak of 4,593 applications in December.
- The number of people helped by Suffolk Citizens Advice declined across all enquiry categories in April compared to March, with the greatest change in utilities and communication enquires (-37.4%) and charitable support, local welfare assistance and foodbanks enquires (-32.1%).