

How are rises in the Cost of Living affecting Swindon residents?

'Everything is rocketing in price. I don't know how my family will survive with the costs of things going up' Swindon Resident

Introduction

Citizens Advice Swindon launched an online Cost of Living survey on 16 May 2022. This was in response to the growing concern nationally and locally about the increases in daily living costs and the concern that inflation and energy costs will continue to rise in 2022.

The survey asked key questions about how worried people in Swindon were about the increases. It also asked what changes they had already made or were planning to make, the type of support they had needed to access as a result and the effect on their health.

The survey ran for one month and had 1175 responses.

How we reached people

The survey was available to people via multiple channels including;

- Citizens Advice Swindon website, Facebook and Twitter.
- Swindon Borough Council's media channels (including social media and direct emails).
- Social media shares by other charities and organisations in Swindon, and individuals.
- Directly to Citizens Advice clients via email sign-offs and completion of the form over the phone for those without access to the internet.
- As part of a joint media campaign with Swindon Borough Council launched on 25 May 2022 focusing on 18 key things that people can do to check their benefit entitlement and other sources of financial support <https://www.swindon.gov.uk/news/article/770/cost-of-living-campaign-launched-to-help-swindon-residents>

We recognise that the survey has been made available almost completely online and that those without internet access are not fully represented. However, it does help us paint a picture of what affects the cost of living crisis is having on some of those who would not traditionally be seen as our most vulnerable.

Headline Findings



95% of people are worried about current rises in the cost of living



1 in 2 people said their Mental Health had been negatively affected by the cost of living rises



More than 3 in 10 people said their Physical Health had been negatively affected by the cost of living rises



More than 1 in 5 people have skipped meals to reduce costs



More than 7 in 10 people have already had to reduce their energy usage to save money



1 in 2 people are buying less food for themselves or their family



1 in 4 people are worried about the rising cost of rent and mortgages



Around 30% of respondents have borrowed money to meet rising costs



1 in 3 people do not think they can cut back any further to save money.

Debt and Money Worries

Our survey gives a robust snapshot of how people in Swindon are feeling about the cost of living crisis right now. It suggests that the overwhelming majority (95%) of Swindon residents are already worried about costs and worrying further about future rises.

Rising costs and inflation are a huge concern for many people living in Swindon.

- 95% of survey respondents cited rising energy costs as causing concern, followed by rising groceries/food shopping (80%) and rising petrol and diesel costs (73%)
- More than 1 in 2 people already reported that they were buying less food for themselves or their families in order to reduce costs.
- Other concerns for families at the moment included the cost of school uniform (9% of respondents), Childcare costs (6% of respondents)
- On top of that more than 1 in 5 people (22%) said they had skipped meals

"Now earning 75% of what I earned a year ago due to redundancy/pandemic. Further cost increases may mean turning to food banks." Swindon Resident

Since April our referrals to our local food bank and for charitable support have increased by 35%, and we expect this to keep climbing.

"I'm missing meals to ensure children eat" Swindon Resident

This year we have seen a steady and continuous rise in the number of people coming to Citizens Advice Swindon for help with their debt problems. This includes a steep increase in people in arrears to their energy or water companies. Also an unprecedented 74% rise in people who owe money to friends and family.

The results of our survey showed that 57.5% of respondents already had debts excluding their mortgage. Further responses highlight the potential problem of increasing debt as:

- 1 in 4 people were concerned by rising rent/mortgage costs
- Around 29% of respondents had turned to some form of borrowing to meet rising costs, including loans from family and friends (16%), bank loans (6.4%), Universal Credit Loan or advance payment (4.1%).
- Of those who have borrowed, 31% had taken out more than one loan
- 44 respondents had turned to payday loans, doorstep lenders or loan sharks

- 73% of respondents said they have already had to make changes to their expenditure to afford the rising costs
- Nearly a third (32%) of respondents did not think they could cut back any further on their expenditure

"I am very frightened of the winter to come. There is nothing left to cut back on, chronically sick and disabled. No prospect of working ever again. I feel cheated having worked hard all my life." Swindon Resident

Energy Costs

"My husband and myself are elderly now and the thought of going through the coming winter with limited heating due to the gas and electric increases does worry us." Swindon Resident

The average energy bill is now widely predicted to rise to around £3,200 per year, following a predicted 65% increase in the energy price cap in October. That's over £61 per week, and over 13% of take home pay for someone on a salary of 30k per year. This 65% increase on current costs is on top of the 54% increase that took place in April.

We know that these types of cost of living rises always hit lower income families and people on fixed incomes harder. Meaning, although the Chancellor announced a welcomed package of measures to help households, for many, these higher than predicted new October rises will be well above the financial support being provided by the government.

There are also those who cannot access some of the financial help announced. For instance those living in mobile homes or HMOs who pay for their energy through site fees or as a service charge.

Added to concerns about energy prices are the changes to the eligibility criteria for Warm Home Discount (WHD) this year. Although it is positive that the scheme is being extended for some people with hard to heat homes, changes are likely to see some people who have traditionally qualified now being ineligible. This may affect people who would normally qualify due to disability or low income but living in newer better insulated homes.

"My income does not cover my basic bills. I have a pre-payment energy meter and have not had money for gas for 3 days, no hot water! I have never been in this situation before, something must be done." Swindon Resident

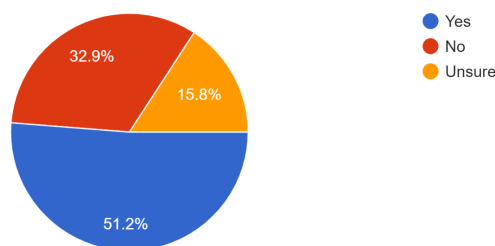
Health and Wellbeing

"I feel scared everyday and exhausted. I have no hope for the future and am just struggling to survive day by day" Swindon Resident

The number of people who report their fear for the future and the effect this is having on both their mental and physical health is worryingly high.

- Over half of the respondents (51%) advise that their mental health has been affected negatively, with nearly 16% unsure

Has your Mental Health been negatively impacted by the cost of living and rising prices?
1,163 responses



- 35% of the respondents advise that their physical health has been affected negatively by the cost of living and price rises, with nearly 17% unsure.

This impact is borne out by a number of the free text comments within the survey;

"life is a struggle and in all our lives we have had to economise but this year is almost becoming a step too far with no light at the end of the tunnel "

"As a disabled person who is unemployable and not eligible for any means tested benefits, this is all incredibly worrying and stressful. I face increased costs due to my disability but have no way of earning money."

"I have no idea how we will cope with the cost of living going up and up."

"I have 2 jobs, my partner has 1, we have 2 children and we can barely cover the cost of everything we need just to survive. Leisure activities and days out are a thing of the past. We all hardly see each other because we have to work so much just to pay for basic bills and it seriously affects our physical and mental health."

“We feel cut off much more now as we will struggle to afford fuel for our old car to visit our sons and grandchildren or even go out for a drive...., it is isolating and this does not help with my mental health.”

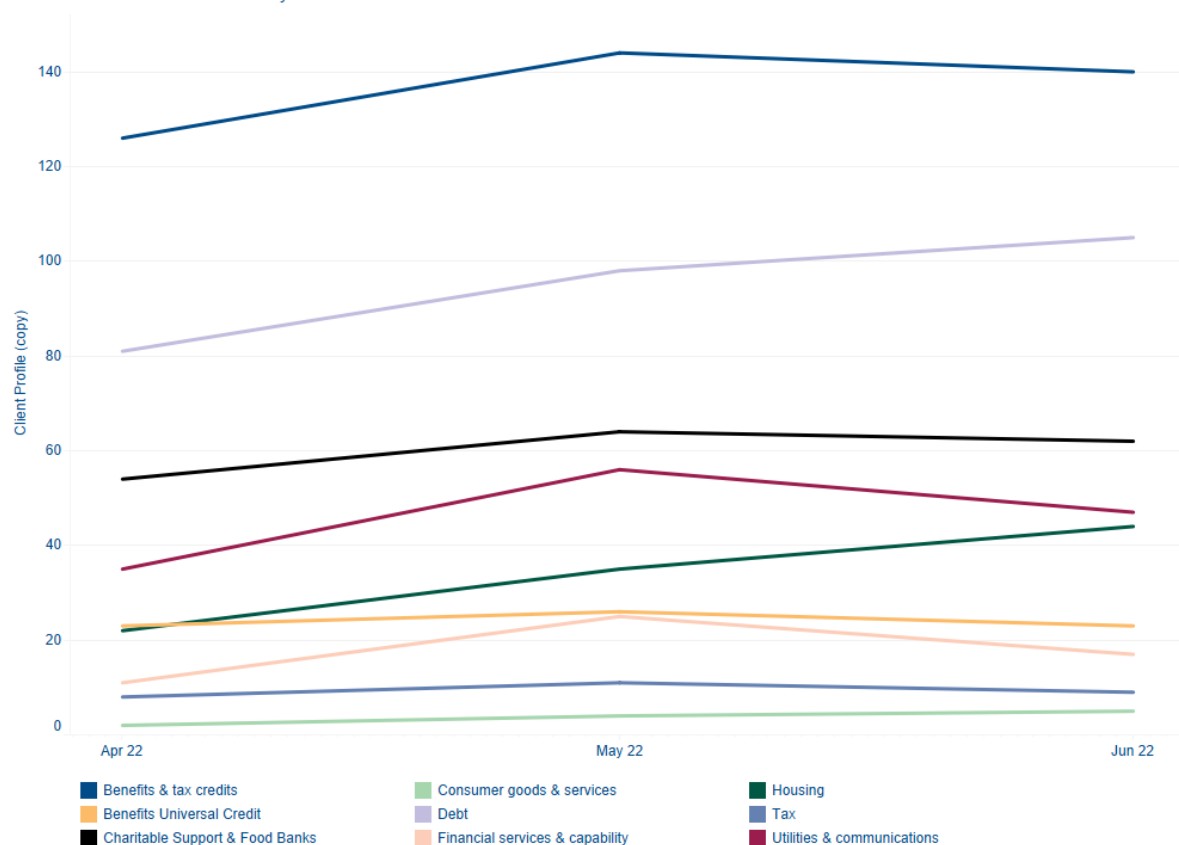
Citizens Advice Swindon - How are we helping?

Citizens Advice Swindon is here for everyone, whoever you are, whatever the problem.

We provide a holistic advice service to Swindon residents on a full range of topics including debt, benefits, housing, employment, immigration and more.

The graph below records the number of people we have helped in Q1 2022/23 with different problems. For the first time referrals to foodbanks and charitable support is in the top 3 enquiry areas.

Count of the number of clients by issue and month



AFFA Project

Our new Advice and Financial First Aid project was launched in July 22. Its aims are:

- To give people the tools and support they need to increase income where possible
- To give people the knowledge and confidence to manage their money and make better informed financial decisions

We will do this by:

- Increasing client income through unclaimed benefits or grants
- Budgeting advice - identifying where clients can reduce monthly outgoings debts
- Identifying social tariffs that clients may qualify for - internet, energy, watersure
- Working with community organisations and frontline workers at the heart of local communities to identify who needs our support
- Providing training to help third party professionals identify when advice is needed and the help that can be provided
- One off talks - maximising income, use of comparison sites to secure cheaper goods/services, scam awareness and energy efficiency/saving

Contact us:

Adviceline - Monday - Friday 10am - 4pm - 0808 2787813

<https://www.citizensadviceswindon.org.uk/contact-form>

Drop in triage - Cavendish Square - 10am - 1pm, Tuesdays

Sanford House - 10am - 1pm, Thursdays

Third party professionals referral form -

<https://www.citizensadviceswindon.org.uk/referral/>

Appendix 1

Demographic of respondents

Employment

- 60% of respondents were employed either full or part time, or were self employed.
- Nearly 30% were not employed, and 3.5% were carers.

Location

- The responses were quite evenly spread among the wards throughout Swindon.
- A small percentage (3.5%) lived outside Swindon.

Disability and illness

- 34.5% of those who responded (399 people) advised us that they considered themselves to have a long term health condition or disability.
- Of those who were happy to share the nature of their condition, the most significantly identified problem was physical health, followed by mental health and multiple impairments.

Income

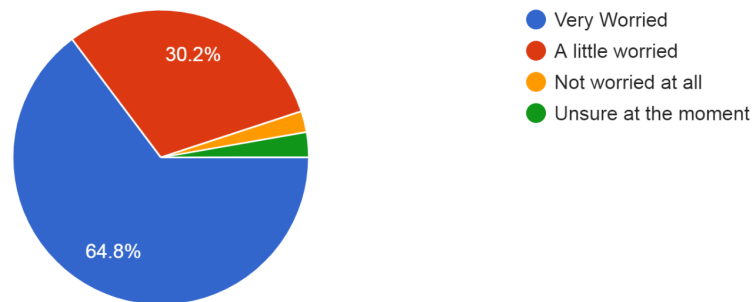
- 48% of respondents are not in receipt of any benefits.
- Of the 52% in receipt of benefits, Child Benefit is claimed by the largest number of respondents (22%).
- After Child Benefit, the benefits claimed most are State Pension (15%), and Universal Credit (12%).

Appendix 2

Survey responses

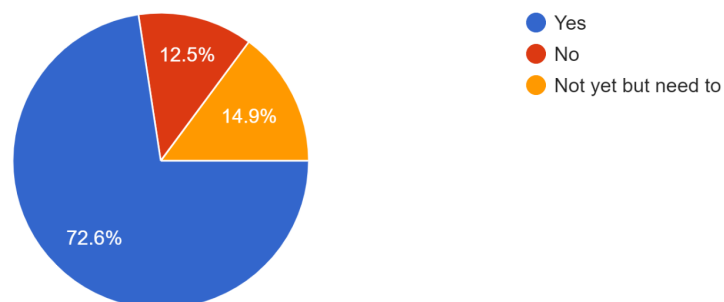
How worried are you about the current rises in the cost of living? eg. higher energy bills, fuel prices, interest rates, cost of weekly shop

1,164 responses



Have you had to make any changes to your expenditure so far to afford rising costs?

1,164 responses



**Which (if any) price rises are causing you most concern at the moment?
(Choose all that apply)**

- Energy costs 95.3%,
- Groceries/food shopping 80.1%
- Petrol and diesel costs 72.8%
- Rent/mortgage costs 24%
- NI increases 24.8%
- Childcare costs 5.8%
- Paying for school uniform 9.4%
- Leisure Activities 16%

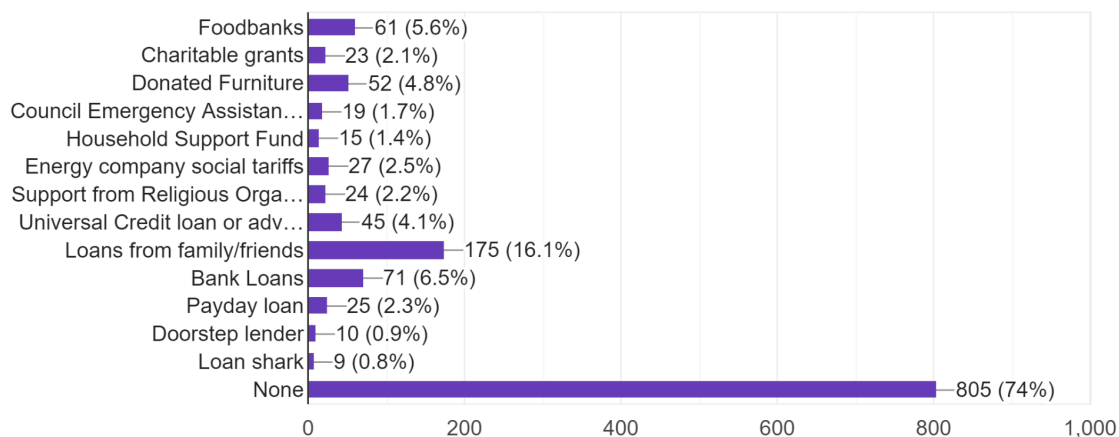
Have you made any changes to your spending to combat the price rises? (tick all that apply)

- Reduced energy usage 73.3%
- reduced expenditure on food by switching brands or supermarket 55.1%
- reduced expenditure by buying less food 54.9%
- using the car less 53.4%
- Reduced spending on clothing. 57.9%
- skipped meals 22.1%
- reduced leisure activities for yourself or family 44.7%
- reduced their regular savings 38.1%
- reduced their pension contributions. 6.8%
- No changes 6%

Have you turned to any of the following to help you meet the cost of living? (tick all that apply)

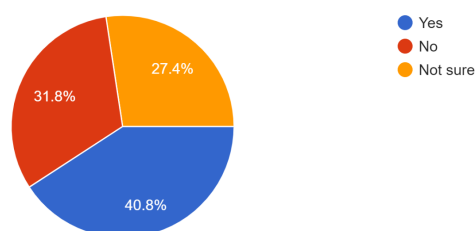
Have you turned to any of the following to help you meet the cost of living? (tick all that apply)

1,088 responses



Do you think there are any other areas of spending you could cut back on if you needed to?

1,161 responses

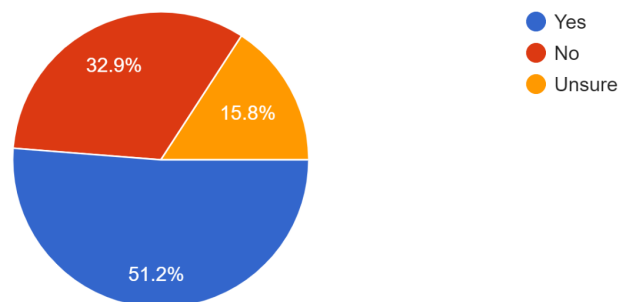


Do you have any of the following debts? (Tick all that apply)

• credit or store cards	38.9%
• personal loans	19.3%
• utility arrears	14.2%
• debt to friends and family	14.6%
• Mortgage arrears	3.9%
• rent arrears	3.2%
• phone/broadband arrears	4.5%
• catalogue debt	7.4%
• unauthorised overdrafts	4.5%
• debt to loan sharks	0.7%
• doorstep lender	1.2%
• payday loan.	2.6%
• Student Loan	0.7%

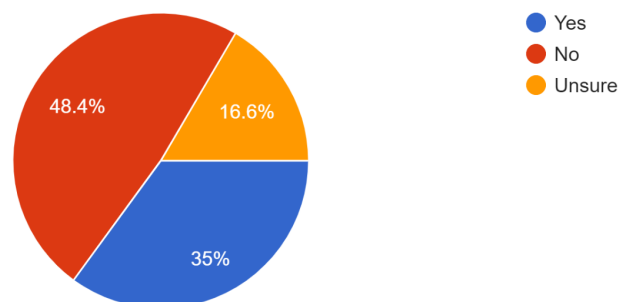
Has your Mental Health been negatively impacted by the cost of living and rising prices?

1,163 responses



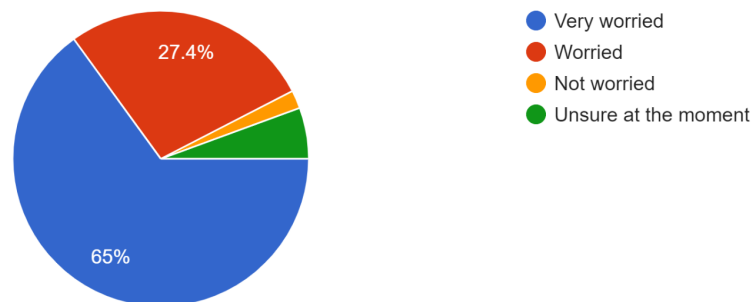
Has your Physical Health been negatively impacted by the cost of living and rising prices?

1,159 responses



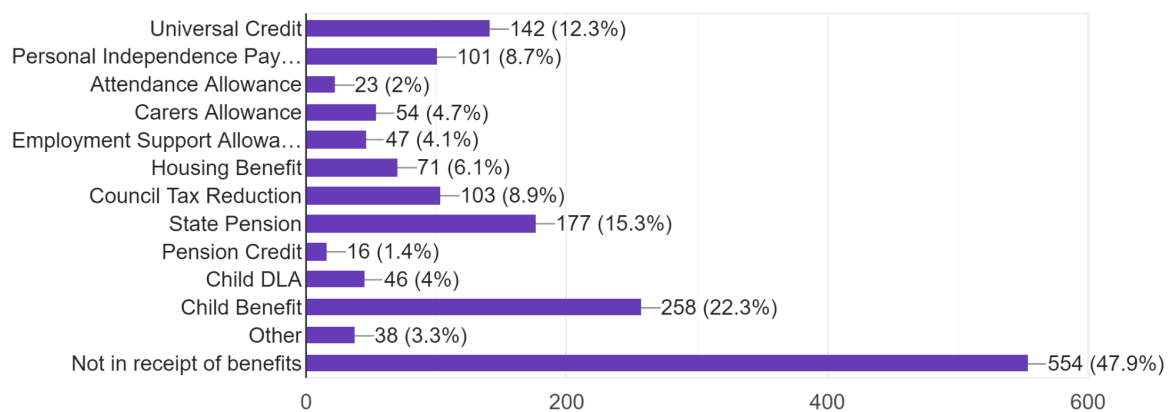
How worried are you about predicted future increases in energy prices and rising inflation?

1,163 responses



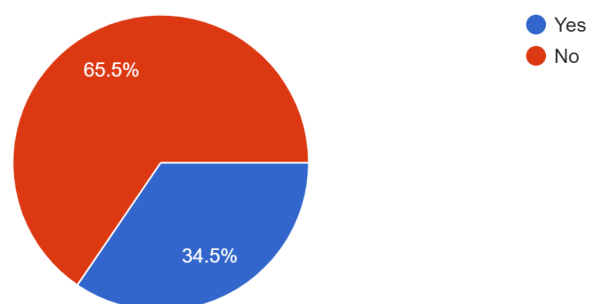
Are you in receipt of Benefits? (please tick all that apply)

1,156 responses



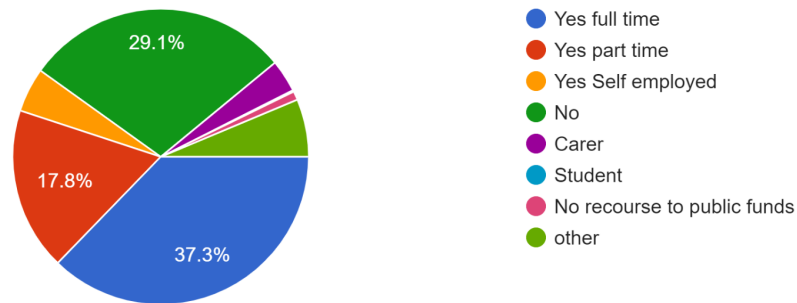
Do you consider yourself to be disabled or have a long term health condition?

1,156 responses



Are you employed?

1,157 responses



Which ward do you live in?

