The cost of living: how data can help tackle the crisis

September 2023
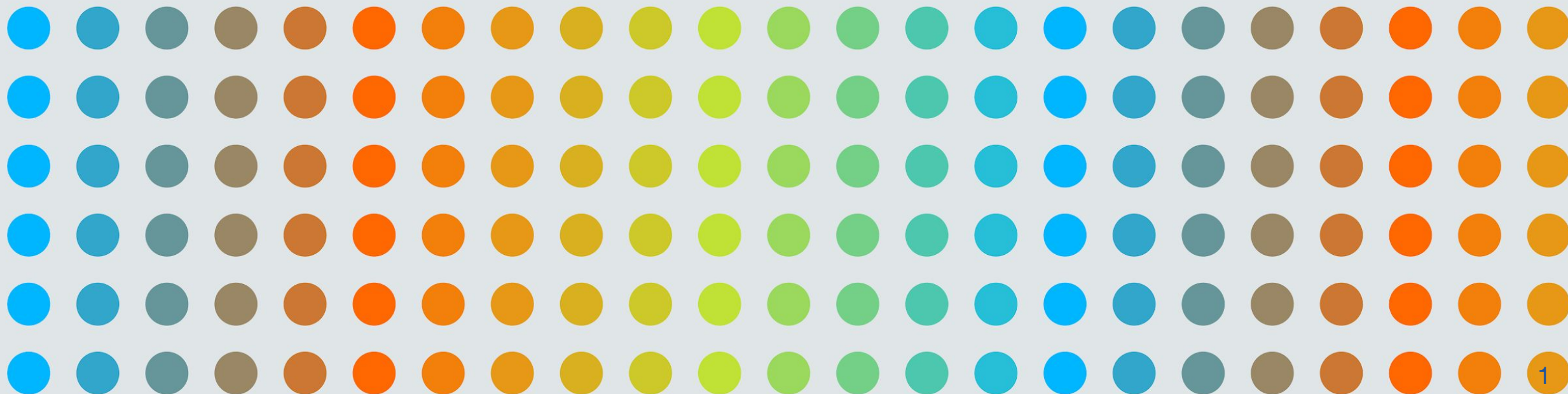
Contents

About

This report is the result of joint work carried out by the Open Data Institute (ODI) with Mime Consulting, and published in September 2023. If you want to share feedback by email or would like to get in touch, contact charlotte.mcleod@theodi.org.

This work was designed by the ODI, and project-managed by strategic communications agency, Allegory.

We would like to thank the ODI's Nigel Shadbolt, Roger Hampson, Louise Burke, Emma Thwaites, Resham Kotecha and Lisa Allen for their guidance and support.

Summary

The cost of living crisis has led to financial pressures which are affecting people's ability to afford costs related to housing, debt, food and fuel.

This report specifically examines the 'data needs' to help us better understand and address the resulting challenges for our society and aims to identify areas for improvement.

Housing

The cost of living crisis has had a serious impact on housing costs, leading to **large increases in private rental costs and homelessness**. The limited availability of open data on homelessness presents an important area for potential improvement that could lead to more research and data collection on hidden homelessness.

Debt

Increases in the cost of essential goods and services have **forced many families to turn to debt to afford these expenses**. Delayed publication schedules, poor geographical granularity, and a lack of data availability on 'Buy Now Pay Later' schemes and payday loans disrupt understanding of the true extent of this issue.

Food
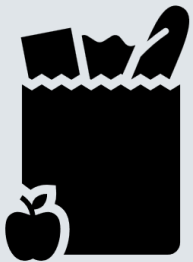
With **food prices rising substantially since 2021**, the number of food parcels delivered by food banks in 2022/23 is at a record high. However, reporting is problematic as there is no universal definition for food insecurity and poor sub-regional data collection. Information on support services is currently disjointed and hard for people to navigate.

Fuel

Key drivers of the rise in inflation are the **increased gas and electricity costs, forcing many people into fuel poverty** due to an inability to afford their energy bills. A lag in data releases and a definition for fuel poverty, which excludes many families in difficulty, masks the scale of the crisis currently being experienced.

At risk groups

By looking across multiple datasets, we see several groups are disproportionately impacted across more than one of the four areas we looked at: housing, fuel, and food poverty and debt.

This may lead to a domino effect, with multiple issues piling up for particular households. These 'at risk' groups include young people (aged 16 to 24), single parents, renters, and those belonging to ethnic minorities.

Data challenges

Four key data challenges have emerged throughout the research:

1. Understanding the scale of the problem requires combining datasets
Current data is siloed, which makes understanding the full scale of the issue more challenging

2. Individuals, families and households may be excluded from official statistics
Official definitions can lead to people being left out of statistics and different estimates of the scale of the problem

3. Key datasets are out of date
In a rapidly evolving environment, published data quickly becomes unreliable due to time lags, often of many years, between collection and publication of data

4. Figures are not published at a sufficient level of geographic granularity
This masks sub-regional variation and key intelligence that would inform local government responses

Data tools

We have created two online open data tools:
- **A researcher and policymaker tool** – analysis of open datasets on the cost of living crisis
- **A local area explorer data tool** – information on the most concerning statistics in a local area alongside links to support services

Support services

Targeting support appropriately requires **open data on the location and details of support services**.
The implementation and adoption of an open data standard like Open Referral UK would ensure the collection of better quality, more consistent and complete data, connecting those in need to local services.

Introduction

This report conducts an in-depth exploration of the open data across four domains of the cost of living crisis; **housing**, **debt**, **food** and **fuel**. This provides insights on those most at risk and, in particular, those who might be missing from official statistics. In particular, this report examines the current data landscape and where there may be gaps in the data infrastructure. A more robust data infrastructure is essential for informing responses to the crisis – and ensuring support is appropriately targeted.

Previous work by the ODI has explored the current data infrastructure which exists for cost of living related topics such as food and fuel poverty, while also highlighting existing data gaps. By examining the current data infrastructure, bringing together a wide range of datasets for the first time in powerful tools such as the ODI's fuel poverty risk index, valuable insights are drawn together that were previously unavailable. This has helped us to improve our understanding of these topics and identify where resources can be targeted to benefit those most in need.

Note: Due to differences in datasets provided, this report looks at data that covers England, Great Britain and the United Kingdom. The exact geographical area covered is made clear where relevant.

The ODI's founding and current vision is to build a world where data works for everyone, from businesses and governments to communities and individuals. The ODI believes that the need for an open and trustworthy data ecosystem at scale is stronger than ever and the greatest value of all types of data comes when the benefits are shared equitably. Our vision can only be achieved through collaboration across all sectors.

The **ODI's Five Year Strategy** outlines the six technology-agnostic guiding principles which underpin the ODI's role in responding to global trends, capitalising responsibly on opportunities and addressing market forces outside of the organisation's control. These include the beliefs that:

- Strong data infrastructure is essential for a healthy data ecosystem
- Open data is the foundation for strong data infrastructure
- Potential harms are reduced through diversity, equity and inclusion.

How might better and more open data help with the cost of living crisis?

Open data can play a pivotal role in helping to tackle the current cost of living crisis. Freely accessible data forms the foundations on which researchers and policymakers can draw data-enabled insights. This allows the identification of concerning patterns and trends which can be used to inform interventions and target policies.

This report brings together analysis of open data on food insecurity, fuel poverty, housing costs and debt for the first time, exploring each of the following topics in detail:

1. The current **open data landscape** for all four domains, bringing together analysis of currently available open data. This includes analysis of the groups of people and parts of the country most affected

2. Existing **data gaps and discrepancies**, including how this can result in groups of the population being overlooked or left out of official statistics

3. The **opportunities for the improvement and increased collection and publishing of open and better data** within each of the four domains, and how this can inform improvements in the targeting of support

Due to discrepancies with published data, this report will look at data that covers England, Great Britain and the United Kingdom.

The current support service landscape is also explored in this report, highlighting the barriers organisations face in the targeting responses and how this could be made more effective through improvements to open data infrastructure.

We have also produced two public facing data tools, facilitating the generation of further data-enabled insights:

1. **A researcher and policymaker data tool**
   Explores the entirety of the combined dataset, mapping each cost of living-related indicator across England. This includes data not previously published, which relevant organisations have shared.

2. **A local area data explorer tool**
   Provides a high-level summary of the most important cost of living-related statistics in an individual's local area to help members of the public understand their local picture in relation to regional and England averages.

What do we mean by data infrastructure?

Throughout this report, we explore **data infrastructure** and data practices in the context of the cost of living crisis. We use the term data infrastructure to refer to the following five components:

1. Data assets

Data assets include datasets, identifiers and registers.

2. Data standards and technologies

Data standards and technologies are used to curate and provide access to those data assets. Standards for data are reusable agreements that make it easier for people and organisations to publish, access, use and share better quality data. They are documented, reusable agreements that solve specific problems or meet clearly defined needs. Standards detail the language, concepts, rules, guidance or results that have been agreed. Standards are used when it is important to be consistent, or to repeat processes, make comparisons, and reach a shared understanding.

Standards are used in industries and sectors worldwide to document agreements on physical items, ideas, digital products, processes, and more.

3. Organisations

Organisations govern the data infrastructure. Data governance refers to the exercise of authority, control, and shared decision making (planning, monitoring, and enforcement), over the management of data assets.

4. Guidance and policies

Guidance and policies inform the use and management of data assets and the data infrastructure.

5. People

People include those who are involved in contributing to or maintaining data infrastructure, and those who are impacted by decisions that are made using it.

What is the cost of living crisis?

The cost of living crisis refers to the fall in 'real' disposable incomes (adjusted for inflation and after taxes and benefits) that the UK has experienced since the later months of 2021. While the rate of inflation has slowed in recent months and wages show small signs of recovery, household disposable income remains low and households continue to face financial pressure.

- The Consumer Price Index (CPI) peaked at 11.1% in October 2022, five times greater than the Bank of England's target of 2%, with a +/-1% range, and remained high at 7.9% in June 2023

- The annual change in real average weekly earnings (both seasonally adjusted and adjusted for inflation) was 0.0% in June 2023, after being below 0 since October 2021

This ongoing pressure has impacted the ability of households to afford costs related to housing, food and fuel and forced many to take on debts. Data published by the Office for National Statistics (ONS) in July 2023 shows that 93% of people living in Great Britain have seen their cost of living increase over the last twelve months. Particular demographic groups have been affected more than others, such as young people (aged 16 to 24), single parents and renters. The greater impact on these groups will be highlighted throughout the report.

Annual CPI inflation rates

Annual change in real average weekly earnings
(Adjusted for inflation and seasonally)

What is the cost of living crisis?

The currently available data allows us to explore what we currently know about the cost of living crisis. However, as we explore throughout this report, this picture may not be completely accurate or up to date.

Housing

- At 6.8%, a **two -year fixed mortgage rate** in the UK is the **highest** it's been since **August 2008**
- **5.1% increase** in **private renting costs** in GB since June 2022
- **26% increase** in **people sleeping rough** in England since June 2022

Debt

- **29%** of UK adults have seen their **unsecured debt increase** in January 2023
- **23%** of Citizens Advice clients were **seeking advice on debt**
- **One in five** London households report **finding debt a heavy burden**

Food

- **19.2%** and **26.4% increases** in cost of average men's and women's **shopping basket**
- **27%** of **single adult households in the UK are food insecure**
- **37% increase** in the **demand for Trussell Trust food parcels** since 2022

Fuel

- **Monthly energy payments** have doubled over the past year, **up to almost £200** in June 2023
- **13.4%** of all households in England were in **fuel poverty** in 2022
- **26.4%** of **single parent households in England in fuel poverty** in 2022

What has been the response to the cost of living crisis?

Due to the complexity of the cost of living crisis and its multitude of contributing factors, **responses must be multifaceted and most importantly, data-enabled**. This is to ensure that support is targeted to those who are in greatest need. While there have been multiple responses, including cost of living payments and mortgage repayment support, many are not sufficiently targeted to those who require it the most. For example, following concerns over potential negative impacts of a proposed 80% increase in energy prices, the UK government introduced the Energy Price Guarantee in October 2022. This capped the cost per unit of gas or electricity, limiting annual energy bills to approximately £2,500 for a typical household in Great Britain. This would save households £1,100 by the end of June 2023 compared to undiscounted energy prices. While the Ofgem price cap has fallen below the Energy Price Guarantee, it is remaining in place as a safety measure until March 2024.

However, as households in different income groups use similar amounts of energy, lower income households use a higher percentage of their income on energy. Therefore, while this guarantee reduces energy costs across the board, its effect on those who require it the most, in lower income households, is least impactful. This emphasises the importance of using data to inform responses in order to ensure they are most appropriate and effective.

What has been the response to the cost of living crisis?

Yet, there have been responses to the cost of living crisis that showcase the positive impact of using open data. For example, the **Warm Spaces** directory was set up by Creative Collective following the identification of a lack of resources for those facing difficulties in finding warmth throughout the cost of living crisis. This openly available directory:

- Signposts those in need to exact locations of warm spaces across the UK

- Provides information on the resources/services these spaces offer

As many local authorities are beginning to offer grants to help set up warm spaces, the number of warm spaces is likely to grow. Services can easily sign-up to add locations to this directory, allowing continuous expansion of this resource. While the directory is not fully comprehensive, and there is room for improvement, this is an excellent example of how open data can help tackle the cost of living crisis.
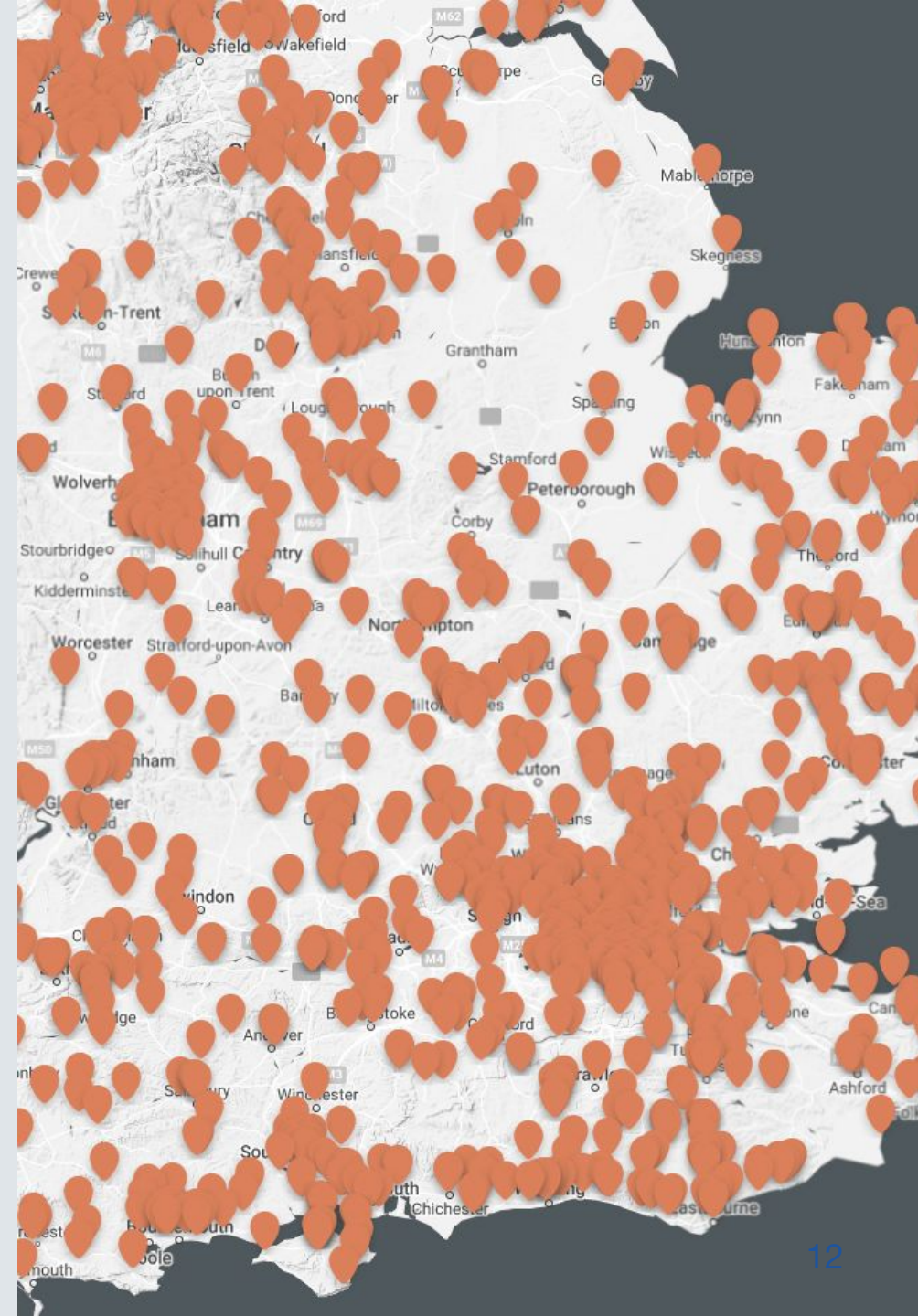
Methodology

Below we summarise the different methods used to conduct our analysis in this report.

Evidence review – We carried out an evidence review to understand the existing work on the role of data in addressing the cost of living crisis. Evidence reviewed primarily fell into two categories:

- Analysis of the existing data and research, for example, the Food Standards Agency's report on food insecurity
- Identification of gaps and other issues with existing data, for example, the Office for Statistics Regulation blog and a research paper on energy poverty measures

Engaging stakeholders – We sought a wide range of perspectives on the use of data about the cost of living crisis, to better understand:

- The existing data landscape
- Gaps in the data
- Barriers to using open data to address the cost of living crisis

Collection of existing data – Data scoping to identify and process existing open data sources from government departments, the NHS, the Bank of England, charities and private companies.

Analysis of trends, demographic and geographical patterns – To explore what insights the existing data could provide and where there are gaps.

Stakeholders engaged:

Housing

Housing

The current open data on housing is relatively detailed. However, there are key groups of people missing from homelessness statistics and less data published on the quality of housing stock owned by private housing associations.

- The cost of living crisis has directly and indirectly impacted housing costs. Interest rate rises have pushed up mortgage costs, which have then been passed on to renters. As costs of other essentials go up, households have limited breathing space to cope with increased housing costs.

- In a survey conducted in August 2023, the ONS found that approximately four in every ten adults are finding it difficult to afford their rent or mortgage payments. This is an increase from around three in ten since August 2022.

- As the Bank of England raises interest rates to try and curb inflation, mortgage rates have also gone up. At 6.8%, the average two-year fixed mortgage is at its highest rate since August 2008, which was at the peak of the financial crisis.

- The proportion of people who find it difficult to pay their rent in the private sector has been steadily increasing. In the 2020-21 English Housing Survey (EHS), 20% of private renters found it difficult to pay their rent, rising to over a quarter (26%) in the 2021-22 EHS.

How has the cost of living crisis impacted homeowners?

The rising interest rate has had a large impact on mortgage rates, which were three times higher on average in December 2022 compared to the year before. These rising rates are likely to have the largest impact on young people in their 20s and 30s.

- Across England and Wales, 7.4 million households (29.7%) owned their home with a mortgage

- As the Bank of England has been increasing the interest rate to attempt to curb inflation, this has had a knock-on effect on mortgage rates. By December 2022, the average quoted rate for a 5-year fixed mortgage at 75% loan-to-value was 5.1%, over three times higher than the rate of 1.6% a year before. These rates have continued to increase into 2023.

- The ONS have estimated that 1.4 million households would move off their fixed-rate mortgages in 2023. Over half (57%) of these were fixed at rates below 2%. This equates to almost 800,000 households facing rises in their monthly mortgage costs. For an average semi-detached property in England, monthly mortgage costs increased by £481 from December 2021 to December 2022

- This is likely to have a differential effect across age groups, with those in their 20s and 30s most affected by increased mortgage costs as they tend to hold larger amounts of debt:
    - Those in their late-30s took out large mortgages while interest rates were low. The combination of their large debt and the shock of moving from a low to a high interest rate is likely to put extreme pressure on their household finances
    - In the 2021 census, over nine in ten (91.8%) of those aged over 65 who own their home own it outright compared to just 10.4% of those aged 25 to 34 and 14.1% of those aged 35 to 49

Average mortgage rates for 5-year fixed mortgage at 75% LTV

Home ownership by age group
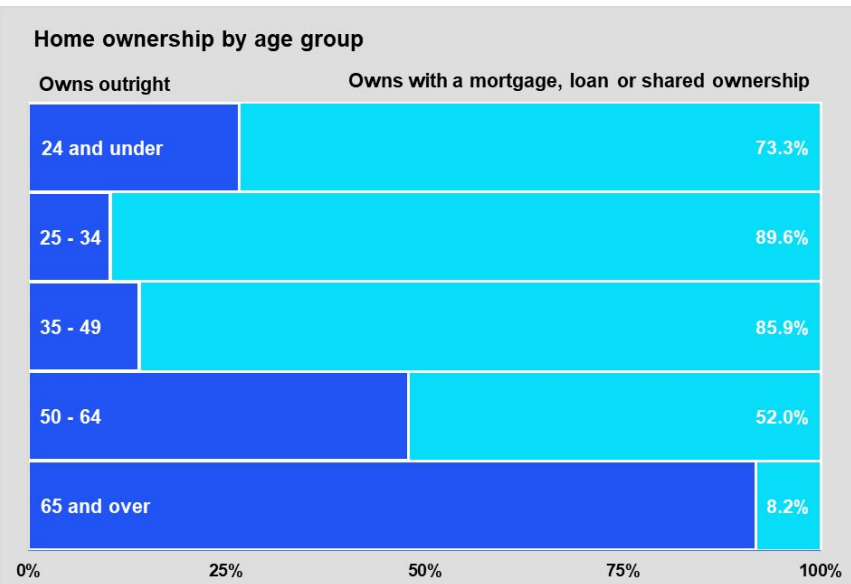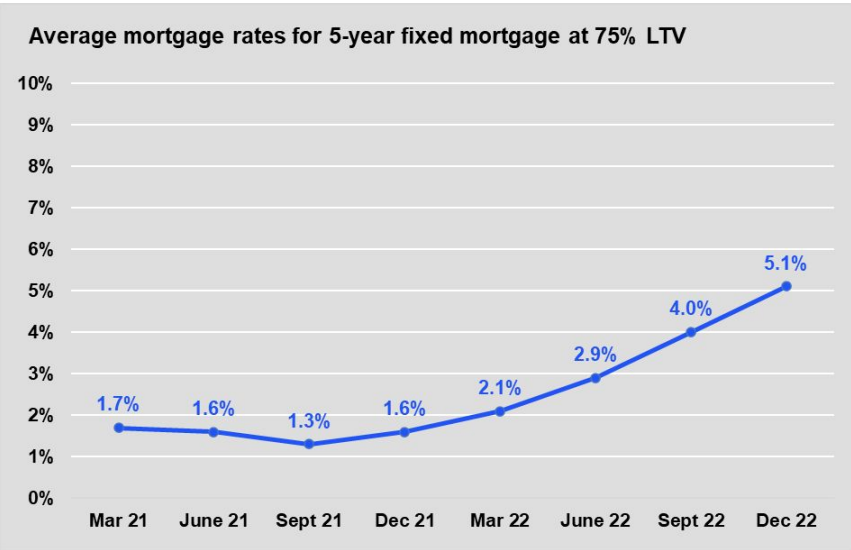
How has the cost of living crisis impacted private renters?

Rents in the private sector have been increasing rapidly, putting a strain on household finances. This is particularly a problem for those who receive housing benefits, as the gap between support and rents is widening.

- According to the 2021 census, one in five (20.3%) households across England and Wales rent privately

- The cost of renting privately has increased by 5.1% in Great Britain[1] from June 2022 to June 2023, the largest annual percentage change since the data was first recorded in 2015

- Rents have been increasing, both as higher mortgage costs are passed on to renters, and due to increasing demand:
  - There has been an increase in prospective tenants since the pandemic as young adults have moved out of their family homes
  - In 2012, it would take an average 6.8 years to save for a deposit, but by 2023 it takes on average 9.6 years. This means people are renting for longer, and this is only likely to increase as higher rents continue to erode any spare income

- Private renters who receive housing benefit have been particularly affected. The Local Housing Allowance (LHA) rate sets the maximum amount of housing support eligible for private renters by local authority. However, this has been frozen since April 2020. As rents have increased, the gap between the LHA and the actual cost of renting has increased, leading to a shortfall for many people and pushing them towards arrears and homelessness.

- Average monthly rents varied markedly across England, with the highest average monthly rents seen in London.
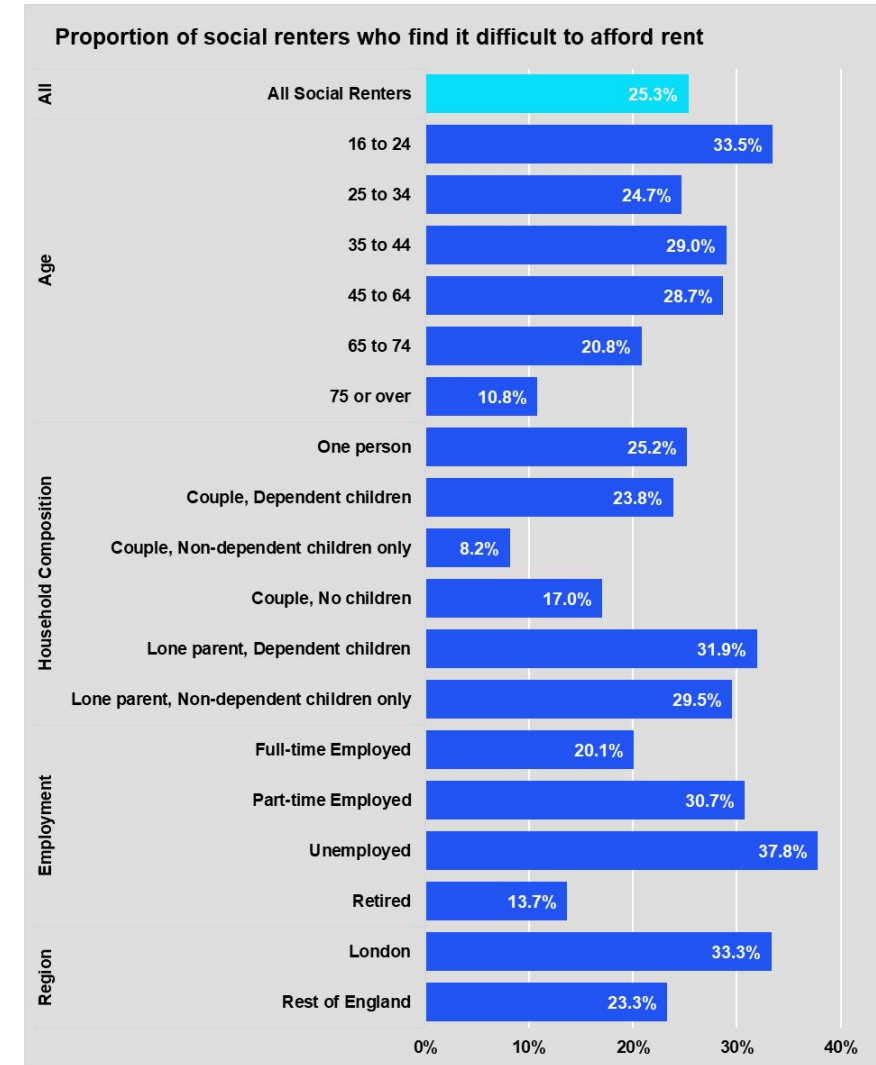
Annual percentage change in private rental prices (GB)

Average Monthly Rents by Region

What does the data tell us about social renters and social housing stock?

Almost a quarter of social renters found it difficult or very difficult to pay their rent. Despite the majority of social renters living in properties owned by housing associations, these associations have fewer reporting requirements when compared to local authorities and there is therefore less data published on the quality of this housing stock.

- In 2021, 17.1% of English and Welsh households were social renters, a fall from 17.6% in 2011
- The Government capped social housing rent increases to 7% from April 2023. Previously, social rents could increase by CPI plus 1% and without the cap, rents would have increased by over 11% in April 2023.
- In the 2021-22 English Housing Survey, around a quarter (25.3%) of social renters reported finding it difficult or very difficult to pay their rent.
  - Paying rent was particularly difficult for those who were unemployed, those aged 16 to 24 or those who rented in London
- In the social rented sector, 37.5% are in local authority homes, and the remaining 62.5% are in homes owned by housing associations. Housing association tenants have higher weekly rents and spend a greater proportion of their income on rent compared to local authority tenants.
- According to the English Housing Survey, social housing properties are the least likely to fail to meet the Decent Homes Standard. In 2021-22, 10% of social homes were non-decent, compared to 23% in the private rented sector. However, there have been several high-profile cases of deaths related to poor social housing, such as the death of Awaab Ishak in Rochdale. Local authorities are required to publish detailed statistics on the quality of their housing stock but the same is not required of housing associations. As the majority of social renters live in housing provided by housing associations, consistent reporting standards are essential.

Proportion of social renters who find it difficult to afford rent

Category	Group	Percentage
All	All Social Renters	25.3%
Age	16 to 24	33.5%
Age	25 to 34	24.7%
Age	35 to 44	29.0%
Age	45 to 64	28.7%
Age	65 to 74	20.8%
Age	75 or over	10.8%
Household Composition	One person	25.2%
Household Composition	Couple, Dependent children	23.8%
Household Composition	Couple, Non-dependent children only	8.2%
Household Composition	Couple, No children	17.0%
Household Composition	Lone parent, Dependent children	31.9%
Household Composition	Lone parent, Non-dependent children only	29.5%
Employment	Full-time Employed	20.1%
Employment	Part-time Employed	30.7%
Employment	Unemployed	37.8%
Employment	Retired	13.7%
Region	London	33.3%
Region	Rest of England	23.3%

What do we know about those who are homeless?

Official statistics on homelessness show a recent increase in those rough sleeping and others experiencing homelessness. However, this is likely an underestimate of homelessness, with many people missing from official statistics.

- Rough sleeping statistics show a 26% increase in the estimated number of people sleeping rough on a single night in the autumn from 2,443 in 2022 to 3,069 in 2023. The proportion of rough sleepers aged under 25 has risen to 7% in 2022. However, these official statistics may not provide an accurate overview of rough sleeping since the data is collected on a single night, meaning factors such as the weather can have a large influence on estimates. It also only counts those who are asleep or about to 'bed down.'

- Shelter's research on homelessness brings together official data with data from FOI requests and charity partnerships to estimate the total number of people recorded as homeless in England. In 2022, this totalled 271,421, equivalent to 1 in every 208 people recorded as homeless. As it relies on the official data, this is still likely to be an underestimate.

- Statutory homelessness statistics showed that, in the period of January to March 2023, 83,240 households were assessed as homeless or threatened by homelessness, an increase of 5.7% from January to March 2022. However, this again is likely not a complete picture of homelessness since it relies on people presenting to the local authority and meeting strict criteria. In addition, an increase in statutory homelessness may suggest that local authorities have more available housing to offer rather than necessarily suggesting a rise in homelessness.

Estimated number of people sleeping rough in England

Rough sleeping by age group
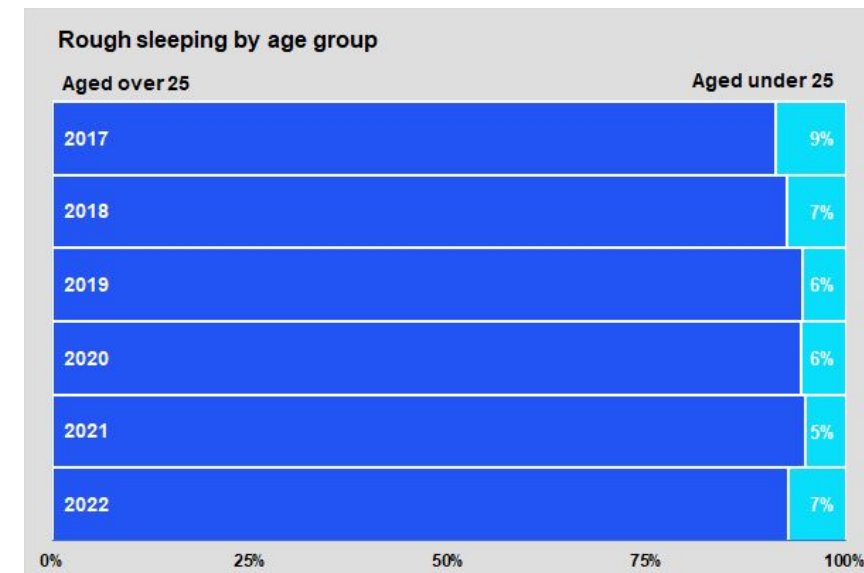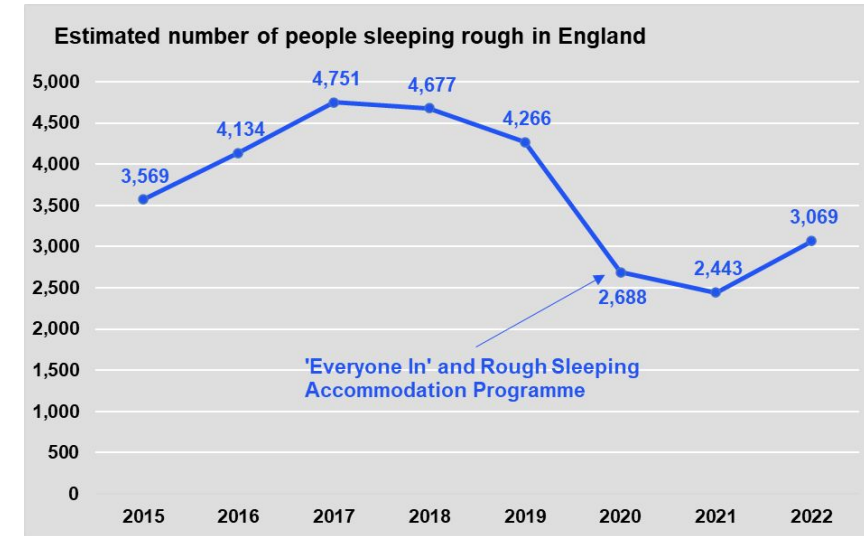
Spotlight on 'hidden homelessness'

It is particularly challenging to generate a true estimate of the total number of people who are homeless. The ONS recognises the gaps in the homelessness data and conducted an evidence review in March 2023. In particular, it focused on those who are 'hidden homeless'; those who are excluded from official statistics and whose experience of homelessness is never captured.

Exactly who is considered 'hidden homeless' varies but often includes households who are:

- Living in severely overcrowded accommodation
- 'Sofa-surfing' or staying with friends and family
- Sleeping rough out of sight, such as in particularly rural areas

These individuals are challenging to capture in official statistics because their situations are less visible. They may not be engaged with homelessness services or the local authority or may be concerned about their safety if they were visibly homeless.

According to the ONS evidence review, the following groups of people are more likely to experience hidden homelessness:

Women are more likely to employ safety strategies, such as sleeping in hospitals or hidden spaces, which mean they are not counted in rough sleeping statistics.

Young people tend to rely on informal support structures and engage in sofa-surfing. As a result, they are less likely to identify as homeless and present to the local authority.

Ethnic minority individuals are less likely to perceive themselves as homeless and tend to rely on family and friends for support. Ethnic minority households are also more likely to experience overcrowding.

Centrepoint

Centrepoint – which is the UK's leading youth homelessness charity – has experienced key data gaps in its work with young people:

- Young people are usually single and can only access studio or one-bed housing, but there is a shortage of one-bed social housing. The government doesn't collect information about social housing based on room size, making it hard to generate a complete picture of availability

- Housing associations, as private enterprises, are not subject to FOI requests and information sharing is therefore reliant on goodwill and cooperation. This makes it challenging to identify gaps or issues at a policy level.

- There are also barriers to data sharing between local and central government, such as those identified by the Department of Housing, Levelling Up and Communities. These include a lack of resources and a concern about data protection. As central government is usually the provider of official statistics, this makes it hard for local governments to publish data they collect and hold openly

- In order to understand the true scale of youth homelessness, Centrepoint submit FOI requests to all 309 of England's local authorities. This is a time-consuming task that often results in inconsistent data and is in contrast to the Welsh government, who publish this data openly

Opportunities for better and more open data

Current data on housing provides good information on renters and those who have a mortgage. However, it is well established that large numbers of people are left out of official homelessness statistics. More and improved open data may be able to fill some of these gaps.

1. **Publish more data on statutory homelessness**
   Centrepoint is calling for the government to report on the number of people who present as homeless or at risk of homelessness to their local authority. Currently, the government only publishes age-disaggregated data about people eligible for a homelessness duty. However, every year around a third of those presenting to homelessness services do not reach the formal assessment stage and therefore do not appear in official statistics, meaning the government is unaware of the level of need in vulnerable young people.

2. **Conduct more research and gather more data on 'hidden homelessness'**
   Open data, produced by collaborating with stakeholders and sector experts, could help to fill in the gaps in official statistics on homelessness. This would ensure official statistics are more representative and capture those who are currently missing.

3. **Increase the reporting funding and requirements for housing associations**
   Requiring housing associations to meet the same reporting requirements as local authorities would provide a more complete picture of the state of the housing stock in the social rental sector. Specifically, this would include data on the quality of the housing stock owned by private housing associations.

ODI

Debt

Debt

Current data on debt is over three years out of date, due to publishing time lags, and not available at a fine level of geographic granularity. We know very little about high-cost credit loans such as payday loans and Buy Now, Pay Later schemes.

- As prices of essential goods and services have risen, many individuals and families have turned to borrowing to pay for their expenses. This leads to a debt cycle, where repayments put a greater strain on a household's finances, necessitating more debt in order to meet the shortfall. In addition, as the Bank of England has increased interest rates, the cost of borrowing has increased.

- The Financial Conduct Authority found that, in January 2023, 21% of UK adults were heavily burdened by their domestic bills and credit commitments and 29% had seen their unsecured debt increase.

- Low-income families are being particularly impacted by the crisis. The Joseph Rowntree Foundation found that a fifth of low-income families had taken on extra debt to pay their bills. Its cost of living tracker survey found that 4.5 million low-income families were in arrears and 2.6 million held high-cost credit loans.

What do we mean by debt?

As of March 2020, almost half (49%) of households in Great Britain had some form of financial debt, rising to 62% if we include property debt. For many people, this debt is manageable and does not impact quality of life.

We are therefore more interested in debt when it becomes a problem but the definition of 'problem debt' is not universal. Citizens Advice, for example, defines a person as being in problem debt if "they are unable to afford their debt repayments". The ONS, in the Wealth and Assets Survey, has more specific criteria relating to a liquidity or solvency problem. This makes it challenging to compare statistics across datasets.
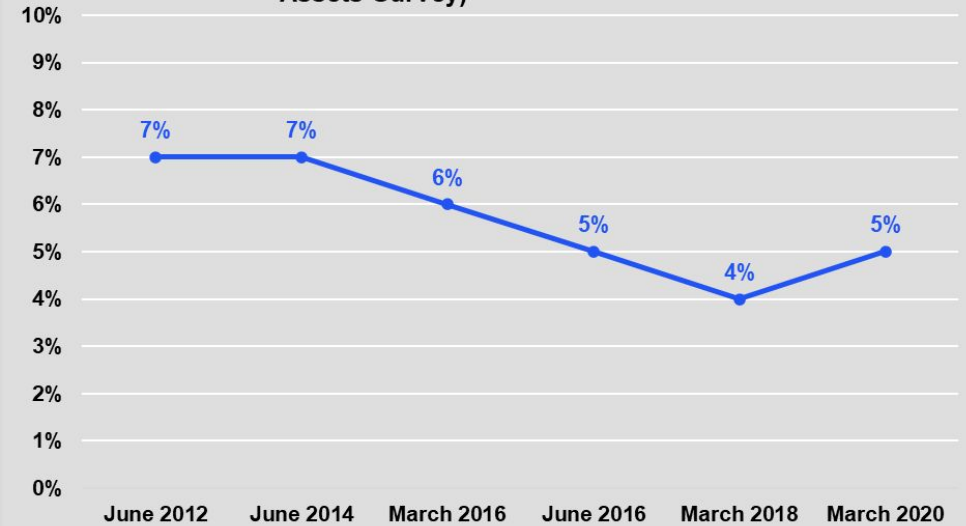
In this section, we primarily focus on those in problem debt, defined by the relevant source, which includes both those in arrears and who have taken on credit.

ODI

Debt burden over time

Official statistics on the debt burden of British households are out of date, masking the impact of the cost of living crisis on household debt.

- The Wealth and Assets Survey, which provides the main published statistics on household debt, is conducted on a biennial cycle[1]. The most recent, publicly available survey covers the period from April 2018 to March 2020, data which is now over three years old. According to this dataset, 5% of households were in 'problem debt'.

- Evidence from a wide range of organisations shows how the cost of living crisis has pushed people to take on a higher debt burden since 2020:

    - The proportion of Citizens Advice clients seeking advice on debt has been steadily rising, to a high of 23% in 2023

    - Net borrowing of consumer credit by individuals rose to £1.7 billion in June 2023, the highest level since April 2018

- There is clear conflict, therefore, with the official statistics and more up-to-date information on debt across the UK. With the publication of the 2020-22 Wealth and Assets Survey not due until January 2024, this data gap looks set to continue.

[1] In April 2016, this survey was moved to a cycle reflecting financial years, which is why the month of reporting changes in 2016

Percentage of households with problem debt (Wealth & Assets Survey)

Percentage of Citizens Advice clients seeking advice on debt
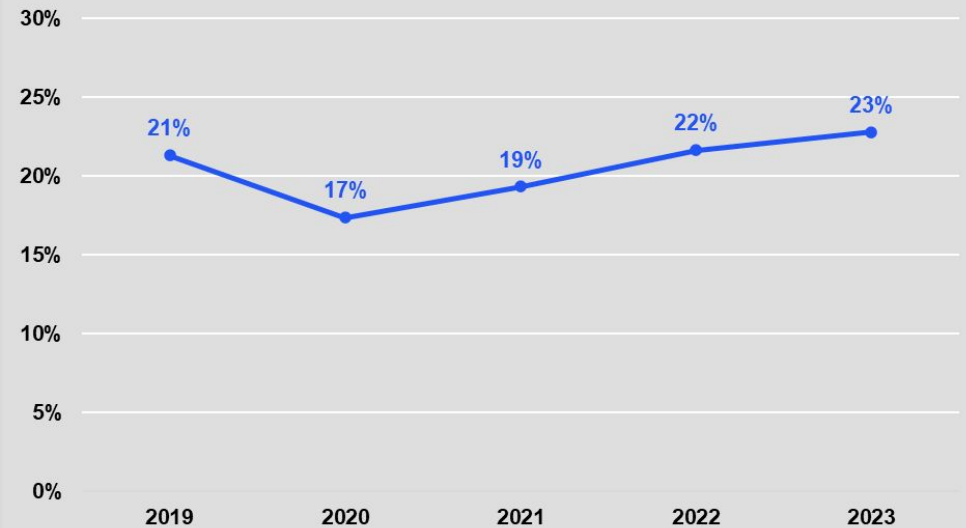
Who is most at risk of being in 'problem debt'?

StepChange are a UK debt charity, providing advice and support for those with problem debt. Of the 15,677 clients who accessed advice in June 2023, the following groups stood out as most at risk of being in debt. As official statistics on debt from the ONS are out of date, we have not relied on these to estimate the risk for different groups. Comparison data for England and Wales is taken from the 2021 census.

Age

59% of StepChange clients were aged under 40, compared to 49% of the entire England and Wales population. Just 8% of clients were aged 60 and over.

Housing

Of the StepChange clients, 31% were social renting and 34% were privately renting. This compares to 17% and 20% of the England and Wales population respectively.

Family Composition

Over a quarter (26%) of the StepChange clients were single parents. This compares to just 11.1% of the whole population of England and Wales who are single parents.
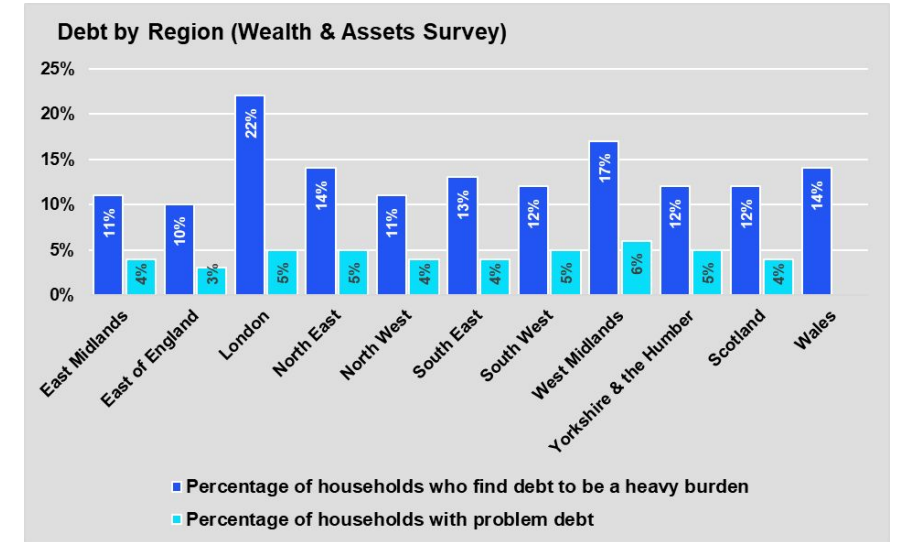
Employment

59% of StepChange clients were in full- or part-time employment, compared to 57% of the England and Wales population. 10% of clients were unemployed and looking for work.

How does debt burden vary across the country?

We know that debt burden and the impact of this debt varies across the country, but we do not have data available at a sufficient level of geographic granularity to provide actionable local intelligence.

- The Wealth and Assets Survey shows regional variation in the percentage of households with problem debt and who find debt a heavy burden. Over one in five (22%) of households in London reported finding debt a heavy burden, more than double the 10% in the East of England.

- However, we know there is variation within regions. Data on individual insolvencies, available at a local authority district level, provides some evidence of this sub-regional variation. The six local authorities with the lowest rates of individual insolvencies across England and Wales were all London boroughs, despite the high rate of households with 'problem debt'.

- Reporting debt statistics at the regional level masks these sub-regional differences and makes it difficult for local government and services to accurately assess the picture of their local area.


Debt by Region (Wealth & Assets Survey)

■ Percentage of households who find debt to be a heavy burden
■ Percentage of households with problem debt

Local authorities with lowest rates of individual insolvencies	Local authorities with highest rates of individual insolvencies
City of London	North East Lincolnshire
Richmond upon Thames	City of Kingston upon Hull
Westminster	Mansfield
Kensington and Chelsea	Halton
Camden	Calderdale

What do we know about high-cost credit and Buy Now Pay Later schemes?

There are no official statistics published by the government on high-cost credit and Buy Now Pay Later (BNPL) schemes, despite the serious consequences these often have for borrowers.

- High-cost credit encompasses a wide range of financial products, such as overdrafts, loans and rent-to-own schemes. These products are often used by those struggling financially, and are an expensive way to borrow.

- The Financial Conduct Authority most recently published data on high-cost credit in 2019, drawing on data from its 2017 Financial Lives survey. This data is now seven years out of date and the insights it provides may no longer be accurate.

- In recent years, "payday loan" providers have been leaving the market and in their place, BNPL schemes have gained popularity. This is concerning, as research from Barclays and StepChange found that a third of those who have used BNPL schemes reported that this led to unmanageable debt.

- In 2021, Which? also found that users of BNPL schemes are more likely to be financially vulnerable compared to non-users. For instance, they are more likely to have defaulted on another form of credit or household bill in the last twelve months.

- Despite the increased popularity and associated risks, no official data is published on BNPL schemes and their usage across the UK. The lack of data means there is no accurate picture of who is currently most likely to use high-cost credit or BNPL schemes and what the impact of this might be.
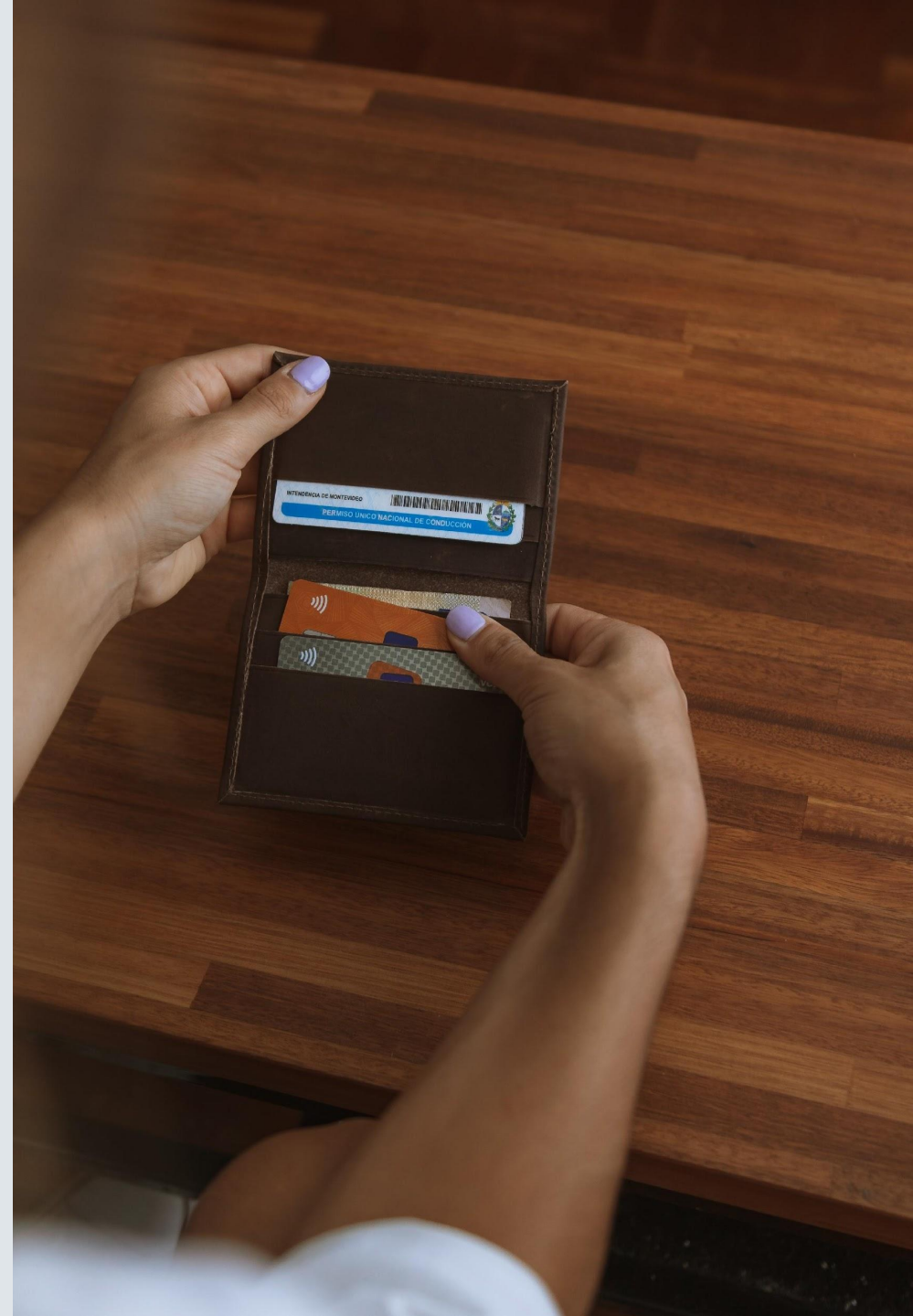
Opportunities for better and more open data

There are clear areas for improvement that would increase our understanding of 'problem debt' across the country.

- **Establish a unified definition of problem debt**
  Having a unified definition of problem debt would allow for comparisons across datasets and a clearer picture of who is most at risk. An expansive definition that captures a range of households would ensure that more individuals and families identify their problems with debt and therefore access support before the problem spirals out of control.

- **Publish more data on high-cost credit loans and BNPL schemes**
  A more regulated BNPL sector and greater data published on those who are taking out high-cost credit loans will help to plug current gaps in research and reporting. This should be collected at a regional/local authority level so that it is possible to understand how this impacts people differently across the UK. Without this data, any interventions will be less able to accurately target those most in need.

Food

Food

There is no universal definition of food poverty, leading to different estimates of the scale of the problem. In addition, information on food support services is currently disconnected, making it challenging for those who need to access this support.

- Food insecurity has been one of the more publicised features of the cost of living crisis, with some clear government and charity responses, such as food banks and widening of free school meals.

- Food prices have risen substantially since the end of 2021, with the food and non-alcoholic beverages inflation rate sitting at 17.4% in June 2023, according to the latest available ONS data.

- The Family Resource Survey (FRS) provides the most comprehensive data on how food insecurity impacts people across the UK, showing that 7% of households reported food insecurity in 2021/22, with 3% experiencing very low food security.

  - However, this survey has only asked questions about food insecurity since 2019.

- The Trussell Trust operates the single largest network of food banks in the UK, and delivered almost 3 million food parcels in 2022/23, the largest figure on record.

What do we mean by 'food insecurity'?

As with other key cost of living measures covered in this report, there is no universally accepted definition of food insecurity used across government and support organisations in the UK.

However, there are attempts to follow a universal definition. In particular, the Trussell Trust sets out the following definition, based on the Household Food Security Survey Module, in its 2023 Hunger in the UK research:

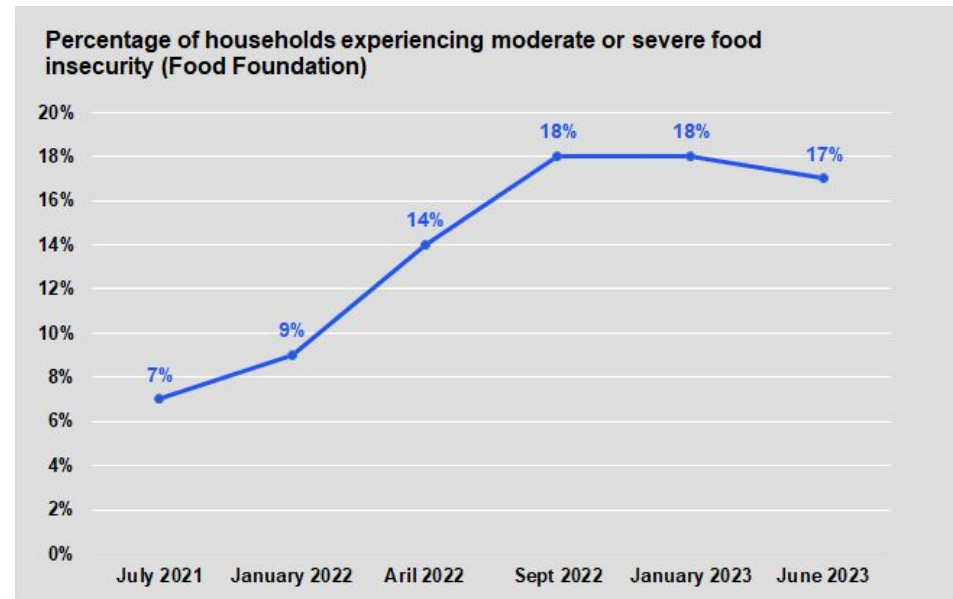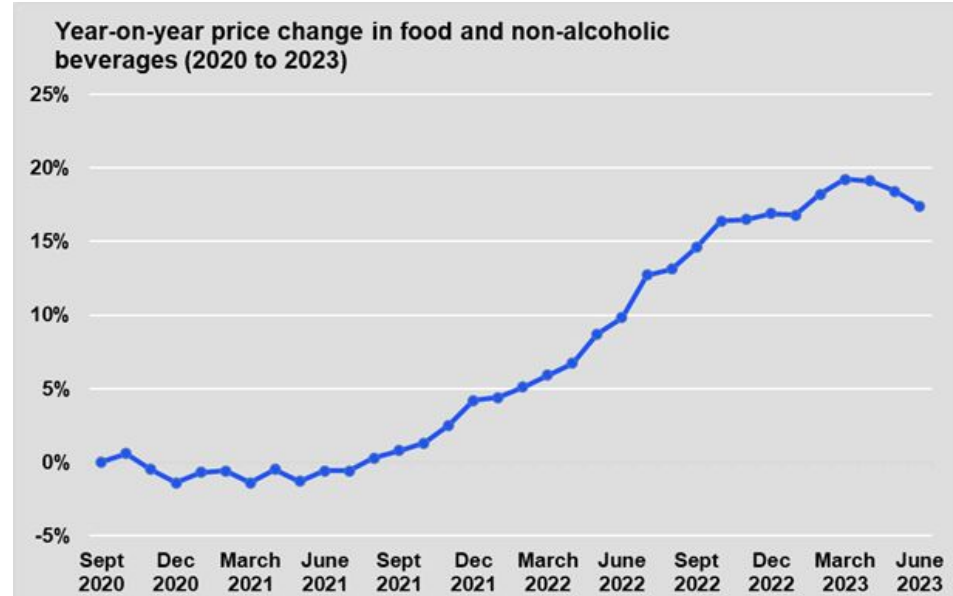> *'Households are considered food insecure if they experience low or very low food security as measured by the Household Food Security Survey Module (HFSSM). Food insecurity means going without or cutting back on quality or quantity of food due to a lack of money.'*

As with fuel poverty, insecure housing, and 'problem debt', food insecurity is correlated with low income, however, as noted in the ODI's 2022 Food Insecurity and Data Infrastructure report, income is not the only driver of food insecurity. For example, households where the head of the household is younger, those with more children, and those with disabled residents are more likely to be experiencing food insecurity (FRS, 2021/22). Additionally, geographic factors such as distance to a supermarket vary hugely across the country and can play a role in food insecurity.

Food insecurity and food prices over time

Food costs have clearly grown substantially in the past two years, although this has varied somewhat by food type. However, the data on food insecurity over time is less clear due to definitional differences and the short time period for which data has been collected.

- **Costs have risen**, with the year-on-year rise in the price of food and non-alcoholic drinks rising from around 0% for most of 2021, to consistently over 15% from October 2022 to June 2023, according to the most up-to-date data available.
  - The Food Foundation publishes a weekly food price tracker, which has tracked, from April 2022 to August 2023, the cost of a typical basket of food for an adult male and an adult female as part of a reasonably-costed, adequately-nutritious diet. It shows an increase of 19.2% for the 'man's basket' and 26.4% for the 'woman's basket'.
  - The ONS also tracks the price of 30 'everyday' grocery items, showing a large variation by food between September 2021 and September 2022. For example, pasta prices rose 60%, while potato prices rose 13% and rice prices remained stable.

- There are different figures reported for the proportion of households in **food insecurity**, reflecting the lack of a clear definition.
  - The Food Foundation reports that 17% of households are experiencing food insecurity as of June 2023, an increase from 7% in July 2021.
  - The Trussell Trust reports that 14% of all UK adults have experienced food insecurity in 2021/22.
  - The Family Resource Survey has only collected data on food insecurity from 2019. Surprisingly, it reports that over the last three years, the level of food insecurity across the UK has remained fairly stable, sitting at 7% in 2021/22.

Year-on-year price change in food and non-alcoholic beverages (2020 to 2023)

Percentage of households experiencing moderate or severe food insecurity (Food Foundation)

Who is most at risk of being food insecure?

The 2021/22 Family Resource Survey provides the most comprehensive analysis of the different population groups most at risk of food insecurity across the UK. Survey results are published by household demographic group, which give a clear view on which types of households are most at risk of experiencing food insecurity.

Age

18% of households where the head of the household is **under 25** are food insecure, and 10% have relied on food banks in the past 12 months. These are both at least double the rate among any other age group. Older households are least likely to be food insecure.

Disability

Households with **disabled adults** are more than three times as likely to be food insecure as those without. These households are also much more likely to have used food banks in the past year and constitute 75% of Trussell Trust food bank users.

Family composition

Households with **three or more children** were more likely to be food insecure. Single adult households were also more food insecure, with 27% of single adult households food insecure. These households were also the most likely to have relied on food banks.

Housing

Social and private **renters** appear far **more likely than owners** to be experiencing food insecurity. Strikingly, one in five social renters were found to be food insecure, and 11% had used a food bank in the past 12 months.

How does food insecurity vary across the country?

There is a good range of open data on food insecurity published at a regional level, but far less by local authority or smaller geographical areas.

- The Family Resource Survey gives regional data on **households reporting food insecurity**. This shows that:
  - Unlike in previous years, Wales and Scotland have higher levels of food insecurity than England
  - There is large variation across England's regions, with 10% of households in the North East reporting food insecurity, compared with just 4% in Outer London
  - The West Midlands and the North West also have high levels of food insecurity
  - Food bank usage is slightly more evenly distributed, though it is highest in Scotland, the North East, the North West and Yorkshire and the Humber

- Trussell Trust data allows exploration of **food parcel uptake** by local authority area. While this only includes Trussell Trust affiliated food banks, and therefore is partly a product of the location of Trussell and non-Trussell food banks, the available data reveals that:
  - Food parcel take-up per 100,000 people ranges from more than 10,000 in 21 local authorities, to fewer than 1,000 in 21 local authorities.
  - Demand appears highest in the North East and the East of England.

- Feeding Britain survey data collected by YouGov shows that in the 12 months to May 2023, London and Scotland had the highest percentages of adults accessing non-food bank affordable **food clubs**, like pantries or social supermarkets, at 9%.

Number of Trussell Trust emergency food parcels distributed per 100,000 population - 2023

Key to colour shading

Fewest food parcels — Most food parcels

© 2023 Mapbox © OpenStreetMap
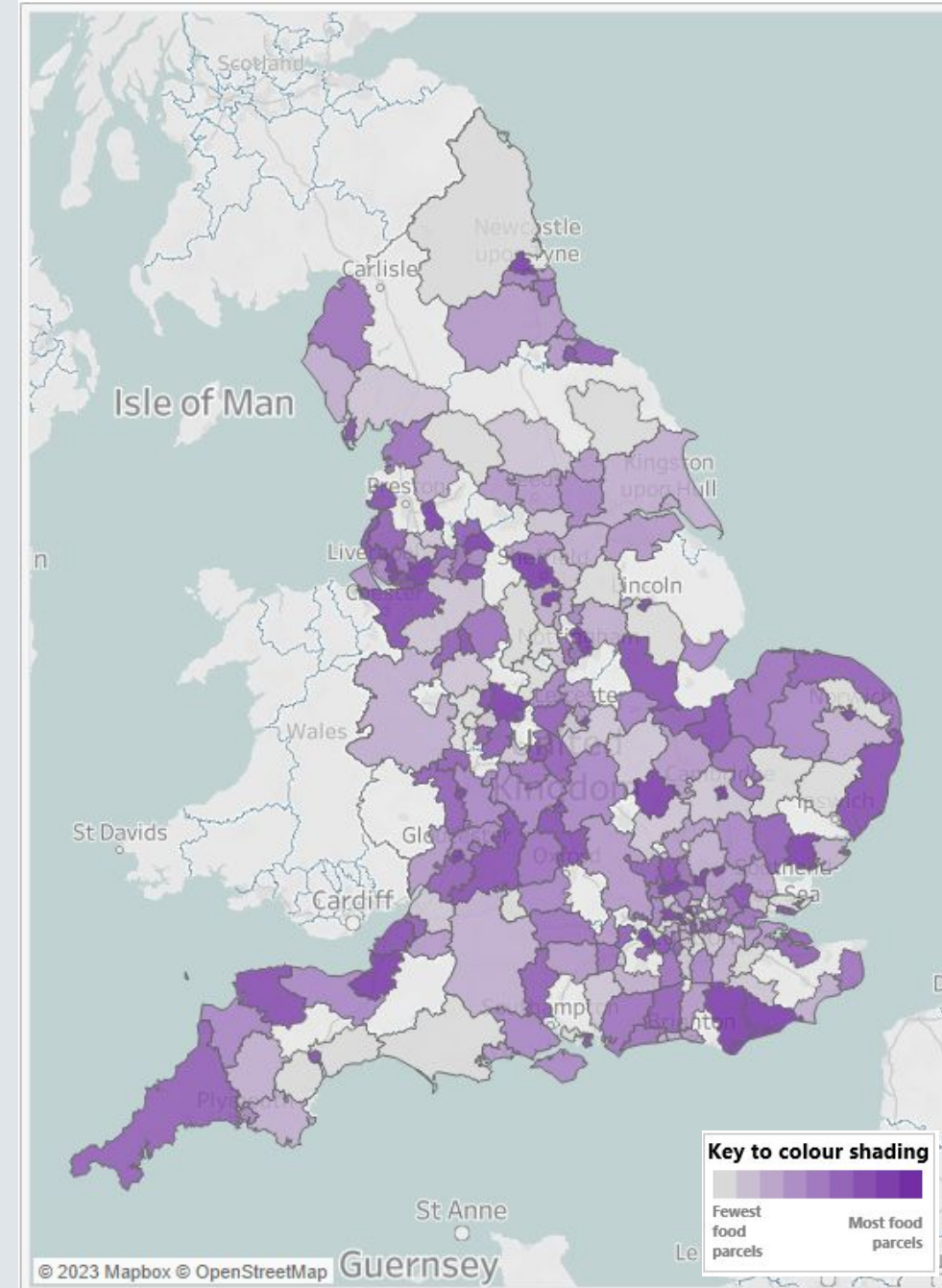
What do we know about food support services?

Food banks

Food banks are the primary source of support for many households experiencing food insecurity.

Food banks across the UK are broken down into two categories:

1. **Trussell Trust** network food banks, which require a formal referral.

2. Other food banks, many of which are members of the **Independent Food Aid Network** (IFAN), and do not require a referral.

Data on the location of these food banks is published, but not in the same place. Data on the 1,300+ Trussell Trust food bank locations is published on its website, while data on other food banks is dispersed. IFAN does publish an equivalent map for members of its network but this is not a comprehensive dataset of all other food banks.

Other food support

- Affordable **food clubs**, like pantries and social supermarkets, offer food at a nominal or reduced price. Feeding Britain's latest data shows 275 affordable food clubs have been established across the country, but comprehensive information on the location and eligibility of this kind of support is difficult to find.

- Support is also available through the government's **free school meals scheme**, which caters during term time only for school pupils whose parents receive income related benefits.

- The **NHS Healthy Start scheme** entitles eligible pregnant people and parents to free Healthy Start vouchers that can be used to purchase milk, fruit and vegetables. Those who are more than 10 weeks pregnant, or have a child under 4, with household earnings below a threshold are eligible.
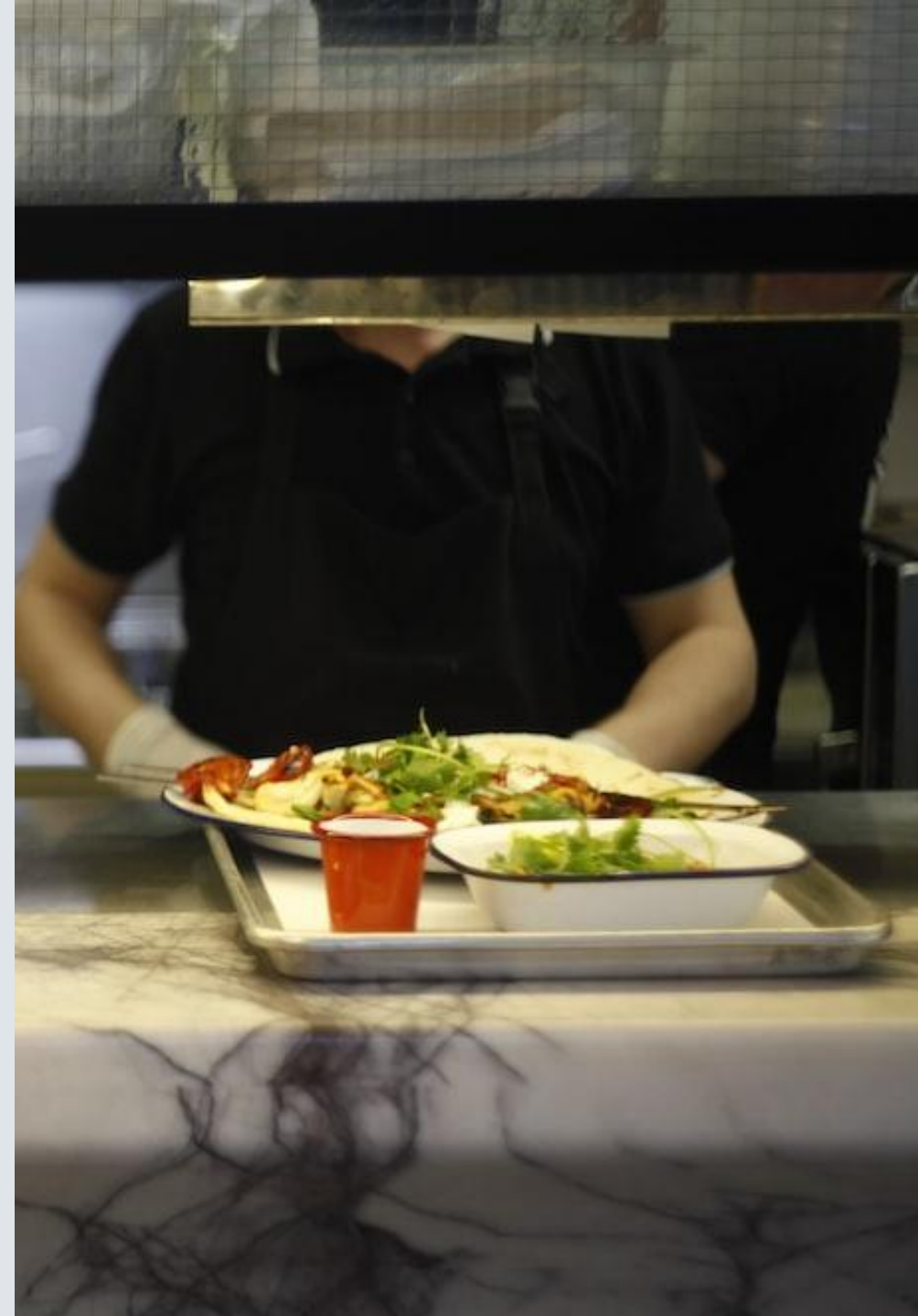
Food support provision over time

As the single largest food bank network in the UK, the Trussell Trust data on the level of support provided is the most complete open dataset available. This gives an indication of how demand for food support services has grown in recent years.

Food banks
- Trussell Trust data on the distribution of food parcels shows that, following a post-pandemic dip in 2022, demand is up by 37% to the highest level on record.
- The number of emergency food parcels distributed per 100,000 people has increased in every region of England from 2022 to 2023.
- The areas where demand for emergency food parcels was already highest, for example the North East and the East of England, saw the largest rise from 2022.

Other food support
- The proportion of pupils eligible for free school meals[1] has risen from 14.3% in January 2016, to 23.8% in January 2023, a rise of 877,000 eligible pupils.
- The latest NHS data on the uptake of the Healthy Start scheme shows a small rise in the six months to July 2023 in the proportion of eligible people who are benefiting from the scheme.
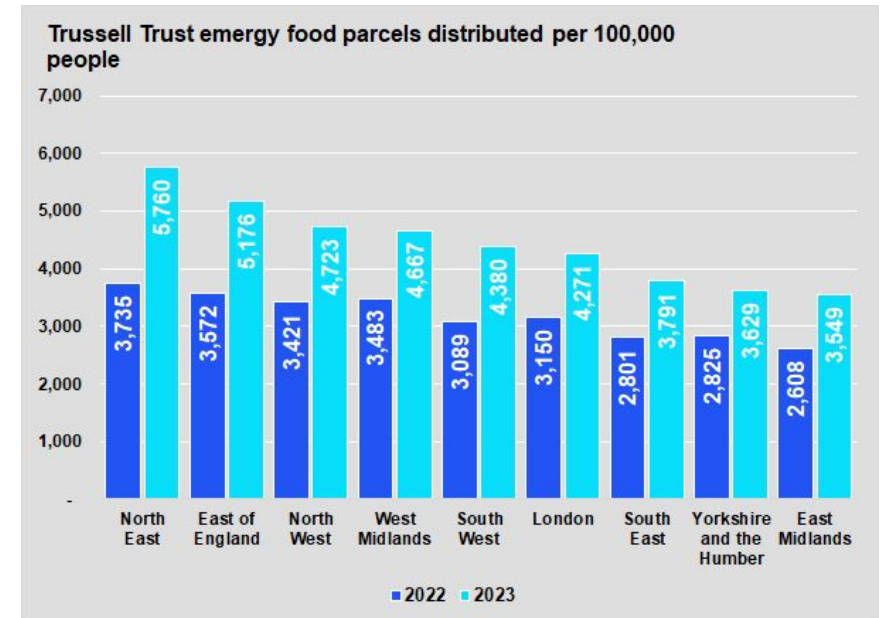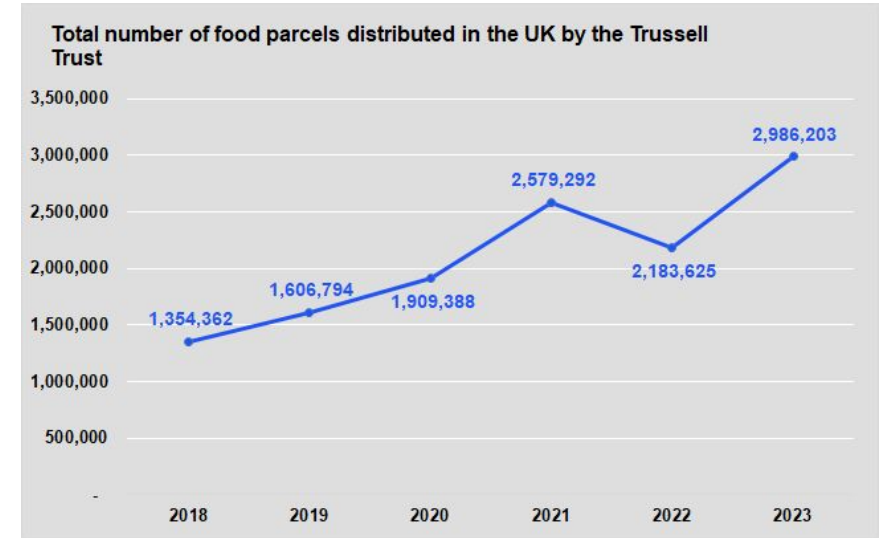
[1] Pupils are eligible for free school meals if their parents or carers are eligible for specific benefits

Total number of food parcels distributed in the UK by the Trussell Trust

Trussell Trust emergy food parcels distributed per 100,000 people

Opportunities for better and more open data

Open data could be used to help policymakers, researchers, and charities better address food insecurity across the country through three key mechanisms:

1. **Reliable tracking of food insecurity over time**
   Analysis of trends over time is currently limited due to changes to definitions over time and a lack of investment in food insecurity tracking pre-2019. As highlighted in the ODI's Food Insecurity and Data Infrastructure report, more consistent open data over time would allow better tracking of the scale of the problem, as well as evaluation of the impact of food support interventions. As the Food Standards Agency points out in its 2023 report, there is currently no analysis of the impact of free school meals or Healthy Start on food insecurity.

2. **Better understanding of *who* experiences food insecurity and *where* they live**
   Geographical and demographic granularity in the existing open data is limited. This prevents effective targeting of support in areas with higher need and lower provision of support. More comprehensive and consistent datasets would mean government and charity resources can better understand who is most at risk of food insecurity and where to target support to specific households, neighborhoods, or demographic groups.

3. **Access to a single directory of food support available**
   Lists and interactive maps showing the location of food support locations are disparate and incomplete. As part of the Food Insecurity and Data Infrastructure work in 2022, the ODI brought together a single dataset of almost 4,000 food support locations into a single online tool, with data including an organisations' target groups and website address. This was the first time that data from multiple food support providers had been combined in this way. This dataset has been updated as part of this cost of living project, allowing those in need to more easily identify their relevant local services.
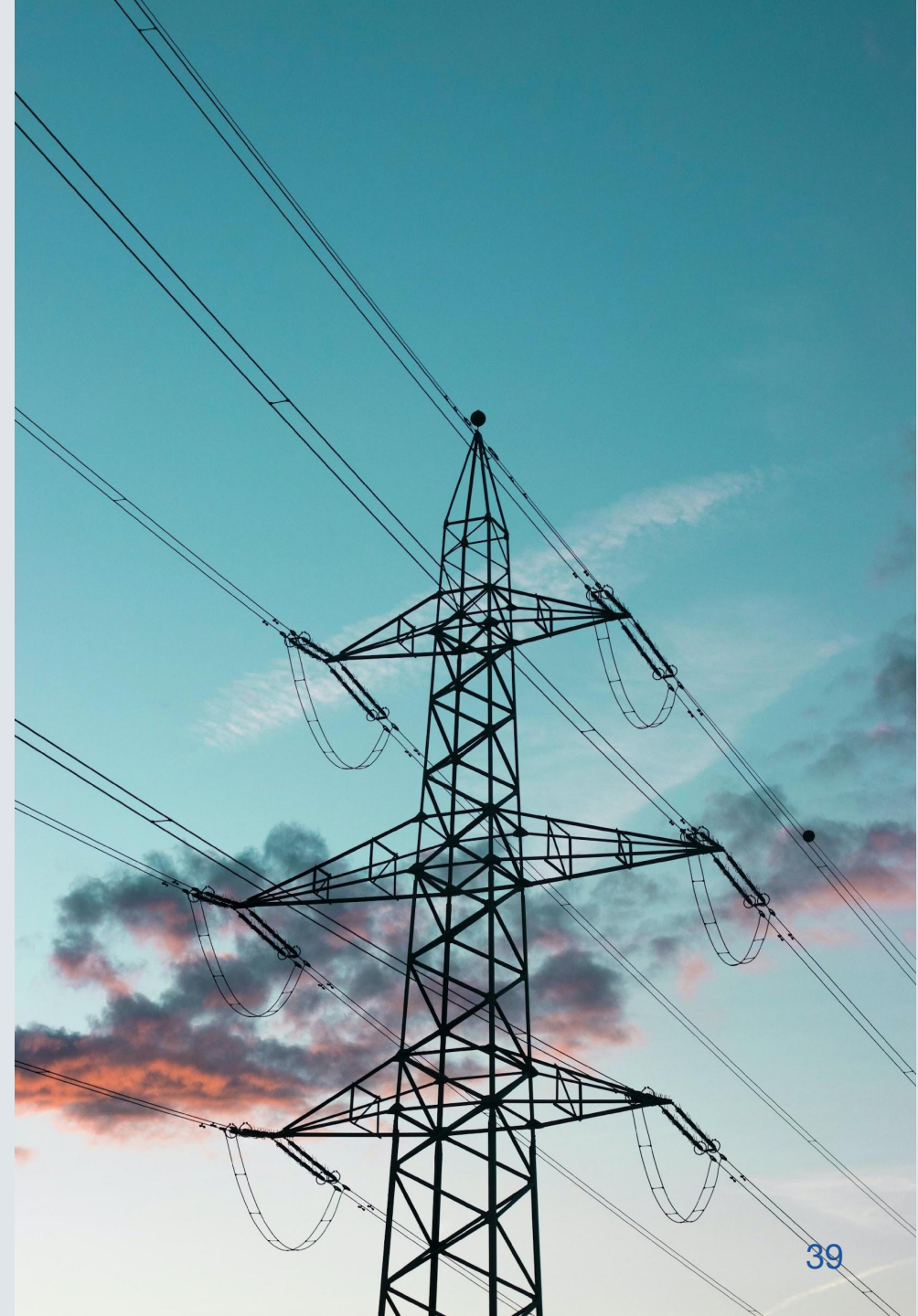
Fuel

Fuel

Government data on fuel poverty is around a year out of date and requires your home to be energy inefficient, which excludes many families and households from official statistics.

- The rising prices of gas and electricity have been key drivers of inflation; in the year to June 2023, gas prices rose by 36.2% and electricity prices by 17.3%. Reflecting this rise, the average monthly energy payments have almost doubled from £108 in May 2020 to almost £200 in June 2023. While gas and electricity prices have very recently fallen, energy bills remain a financial pressure for households.

- In July 2023, around half of all adults in Great Britain are using less fuel in their homes due to increased costs and 44% of all those who paid energy bills reported it was somewhat or very difficult to afford these bills.

- Low-income households have been particularly affected, as they spend a higher proportion of their income on energy costs compared to other households. The poorest 10% of households were spending 7% of their disposable income on gas and electricity in the 2021-22 financial year, compared to 2% of the richest 10% of households. This proportion is likely to only have increased as prices go up without a similar rise in incomes.

What is the current picture of fuel poverty across England?

The West Midlands has the highest proportion of households in fuel poverty, while the South West has the highest average fuel poverty gap. Sub-regional statistics lag by a year but highlight the extent of variation within regions.

- When presenting data on fuel poverty in England, two key statistics are reported:
    - The **percentage of households in fuel poverty** is the overall proportion of households defined as being in fuel poverty according to the Low Income Low Energy Efficiency indicator criteria (see page 42)
    - The **average fuel poverty gap** measures the depth of fuel poverty and is the reduction in energy bills needed for a household to no longer be in fuel poverty.

- In 2022, 13.4% of all households across England were in fuel poverty and it would take an average reduction in energy bills of £338 to move these households out of fuel poverty.

- However, this data is based on fieldwork carried out for the English Housing Survey between April 2020 and March 2022. As a result, it is likely these numbers have grown in the interim and this data is not an accurate reflection of the current state of affairs.

- Fuel poverty statistics from 2022 are only available at a regional level. This shows that the West Midlands is the region of England with the highest rate of fuel poverty, while the South West had the highest fuel poverty gap, likely due to its rural nature.

Fuel Poverty by English Region
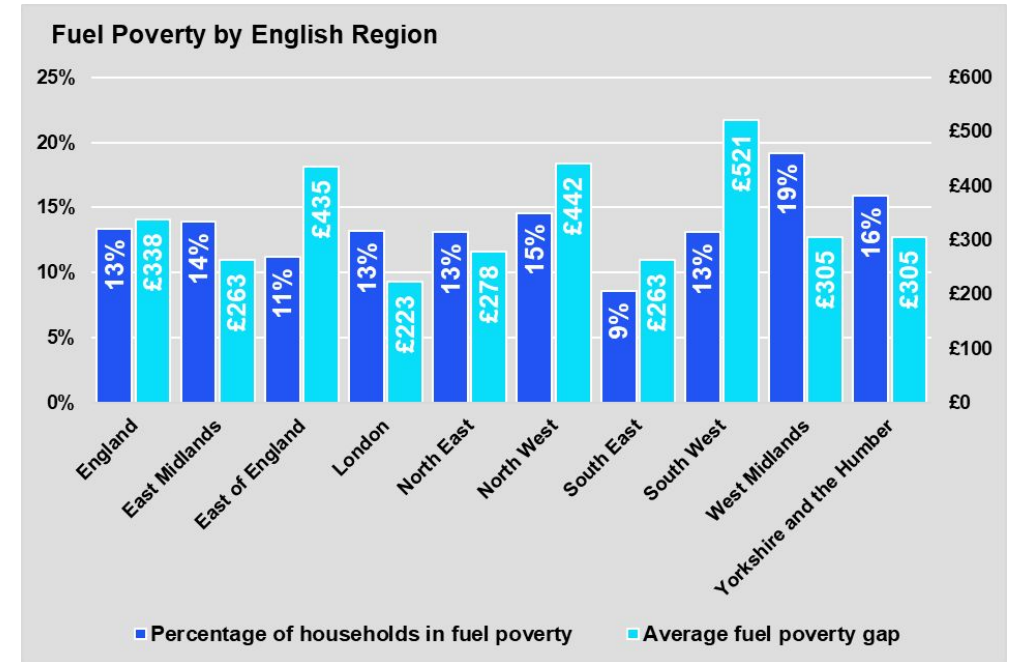
- Data at a local authority level for England is published but lags a year behind. The sub-regional data from 2021 reveals the extent of variation within regions. Within the West Midlands, for example, almost a quarter (23.2%) of households in Birmingham are in fuel poverty compared to just 12.7% in Solihull. Data on the fuel poverty gap is not published at a sub-regional level.

Who is most at risk of being in fuel poverty?

According to government fuel poverty statistics, both the prevalence of fuel poverty and the average fuel poverty gap vary by several property and household characteristics.

Rurality

In 2022, 15.9% of households in rural areas were in fuel poverty and it would cost an average reduction of energy bills of £956 to move a rural household out of fuel poverty.

Payment method

At 27.8%, households who pay for their electricity using a prepayment meter were much more likely to be in fuel poverty than households who paid by standard credit (17.5%) or direct debit (10.5%).

Family composition

Over a quarter (26.4%) of single parent households were in fuel poverty. However, the highest fuel poverty gap was for couples under 60 with no dependent children.

Age

A quarter (25%) of households where the oldest member is aged 16 to 24 were in fuel poverty and these households had the highest average fuel poverty gap.

Who is left out of official fuel poverty statistics?

Since you must be living in an energy inefficient home to be classed as fuel poor, certain households are likely underrepresented in fuel poverty statistics.

- The definition of fuel poverty in England requires that an individual is living in a property with an energy performance certificate (EPC) rating of a band D or below. This additional requirement of energy efficiency – not required in Scotland, Wales or Northern Ireland – leads to a partial picture of fuel poverty. In 2022, 52.8% of all low-income households lived in a property with an EPC of C or above. This equates to approximately 3.6 million households who are left out of fuel poverty statistics but for whom the cost of fuel is pushing them into poverty.

- This exclusion from the reporting is likely to affect certain types of households more than others:

  - In the 2021-22 English Housing Survey, almost seven in every ten (68.7%) properties in the social rental sector had an EPC rating of C or above. This compares to 44.5% of privately rented properties and 42.9% of properties that are owner-occupied.

  - Nearly three-quarters (73.3%) of purpose built low rise and 84.5% of purpose built high-rise flats had an EPC rating of C and above.

  - At 56.1%, London was the region with the highest proportion of properties rated C or above

[1] In 2022, a household was classed as low income if their post-tax income after they've paid their housing and fuel costs was less than £15,385 (60% of the median income for all households)

In England, fuel poverty is measured using the *Low Income Low Energy Efficiency* (LILEE) indicator

Under this indicator, a household is considered to be fuel poor if:

- They are living in a property with a fuel poverty energy efficiency rating of band D or below

  And

- When they spend the required amount to heat their home, they are left with a residual income below the official poverty line

The fuel poverty measures in Scotland, Wales and Northern Ireland do not include this reference to energy efficiency. This makes comparing fuel poverty statistics across the UK nations very challenging.
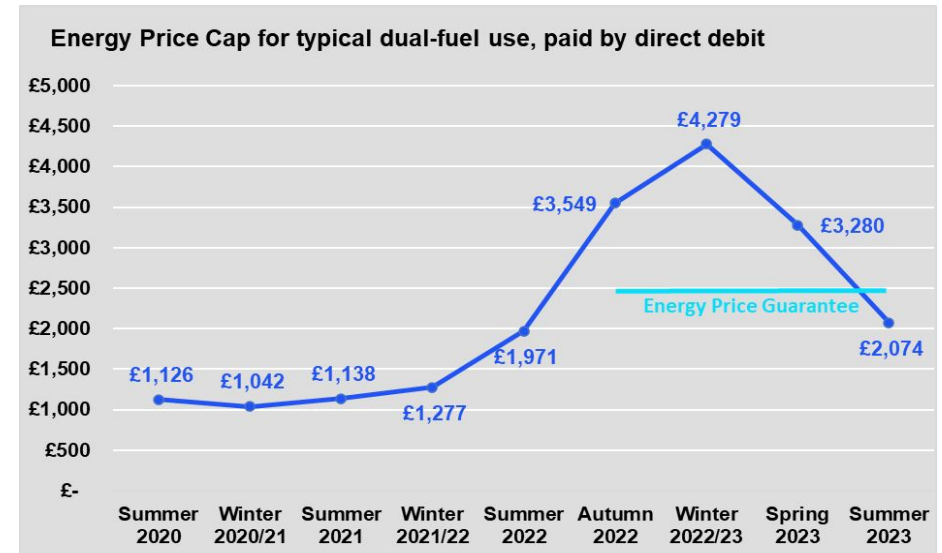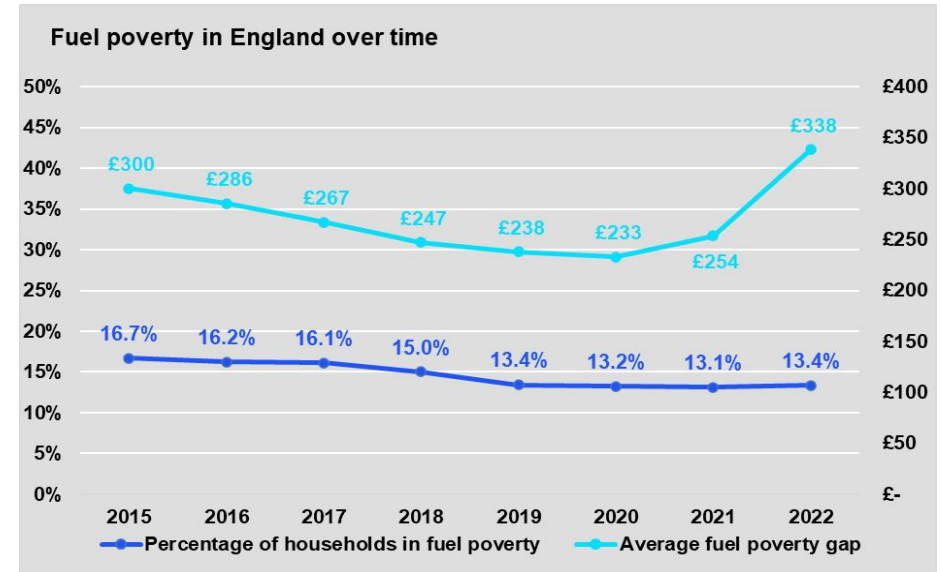
Fuel poverty over time

There has only been a small change in the proportion of households in fuel poverty from 2021 to 2022 but the average fuel poverty gap has increased substantially. The time lag in the publication of fuel poverty statistics is particularly concerning as we enter a second winter with high energy prices but without direct payment support from the government.

- In 2022, the proportion of households in fuel poverty was 13.4%, in line with the 2019 value and only slightly above 2020 and 2021. The long-term trend in the proportion of households in fuel poverty has been a decline, which is explained by improvements to the energy efficiency of properties.
- The average fuel poverty gap, in contrast, has increased substantially from 2021 to 2022. This shows the effect of increased energy prices, as it is now more expensive for someone to move out of fuel poverty.
- The ONS has projected that 14.4% of households will be in fuel poverty in 2023 and the average fuel poverty gap will rise to £443. While these indicative projects are insightful, real-time fuel poverty statistics still lag by over a year. In a rapidly changing environment, up-to-date information is essential.
- This is particularly concerning as we go into this winter. While prices are coming down, there is currently no support expected from the government, meaning the price reduction will not make a difference to household bills compared to the 2022/23 winter. Reporting on energy prices using the Ofgem price cap has further issues:
  - It bases its reporting on a typical household. However, many households, particularly vulnerable households, are not typical. For instance, there may be more people than average living in the house or residents may have disabilities that require higher energy use.
  - This typical household estimation has been reduced, to reflect the fact that people are using less energy. As a result, energy prices will appear to have fallen more than they have.

Fuel poverty in England over time

Energy Price Cap for typical dual-fuel use, paid by direct debit

Opportunities for better and more open data

Two case studies highlight the role of open data in understanding and reporting on fuel poverty.

1. **Fuel Poverty Risk Index**
   Due to concerns about who may be excluded from the official fuel poverty statistics and the year lag of publishing local authority level data, the ODI developed a fuel poverty risk index using open data. This calculates a score that estimates the risk of someone being in fuel poverty for each local authority in England. Building on work by the End Fuel Poverty Coalition in 2021, this takes a more holistic view of fuel poverty and attempts to include those who may be missing from official statistics.

2. **Open Systems Data**
   The Data Communications Company (DCC) holds all of the systems data from electricity smart meters in its end-to-end technology system. This includes information, for example, on how regularly a meter is topped up and any low credit alerts. Opening up this data would allow for near real-time, hyper-local information on those who are at risk. DCC is working to make this data available publicly to realise these benefits.

ODI

Support services
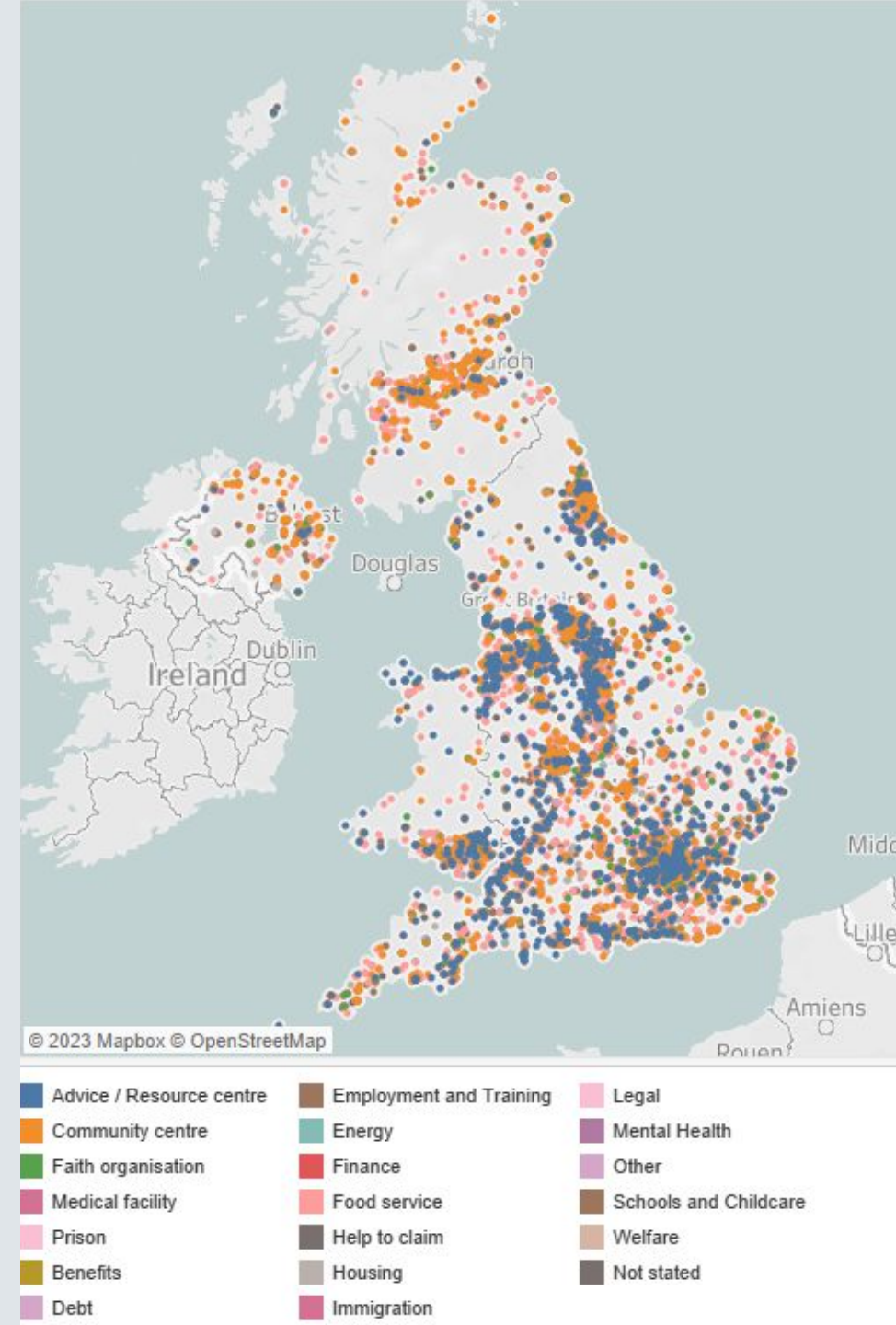
Mapping support services from open data

As well as demonstrating the scale and distribution of the impacts of the cost of living crisis, open data can be used to make support services more accessible to those in need, and more effectively direct resources.

As discussed throughout this report, open data on the location of support, and clear details on the services provided, is vital for connecting those in need with appropriate local providers. While some attempts have been made to bring together support service directories, these are **piecemeal**, **incomplete** and often **duplicative**. A few examples of such attempts are:

- Local authority **family information service** websites
- **Charities**' own **service directories**, such as **Warm Spaces** and **Trussell Trust**
- **Open Referral** UK **APIs**
- **Independent Food Aid Network map**
- **Bankuet** Find a Food Bank

If local and national organisations made up-to-date data on their services available in a consistent format, then duplication would be avoided, and accurate, complete and reliable service directories could be created. While this will lead to long-term improvements in efficiency, this work needs to be adequately resourced and funded.

As part of this project, an open dataset of cost of living support services has been amalgamated from a variety of existing open sources. This includes data from the Trussell Trust, Citizens Advice, FareShare, and Christians Against Poverty, and covers a broad range of services.

© 2023 Mapbox © OpenStreetMap

Advice / Resource centre — Employment and Training — Legal
Community centre — Energy — Mental Health
Faith organisation — Finance — Other
Medical facility — Food service — Schools and Childcare
Prison — Help to claim — Welfare
Benefits — Housing — Not stated
Debt — Immigration

Mapping support services from open data: the role of an open data standard

An open data standard for cost of living support services would help to ensure better quality, more complete data was collected and shared across organisations working to address the cost of living crisis. Defining what information organisations should publish about their services and in what format, would allow easy combination and analysis of organisations' data.

The **Open Referral UK (ORUK) standard** for publishing data on community activities and services is a great example of this. This standard has now been adopted by seven local authorities, the Care Quality Commission, London Sport, My Best Life, and one Integrated Care Partnership. Each of these organisations has made the data on their services available through an API, meaning it can be easily accessed, combined with other ORUK standard data, and analysed.

As advocated by the ODI, future open data standards for cost of living support services should build on this work. Organisations providing cost of living support should consider whether they could align with the ORUK standard so their service offerings can be incorporated into ORUK-compliant directories.

Example of an open data standard for cost of living support services:

An open data standard should set out what data, including open data, should be collected for cost of living support services. Such a standard would need to be developed in collaboration with relevant stakeholders, but is likely to include:

- **Location data**
  - Street address
  - Postcode
  - Accessibility

- **Eligibility**
  - Demographic eligibility
  - Geographic eligibility
  - Financial eligibility

- **Organisation details**
  - Description
  - Website URL
  - Phone number
  - Charity/Business number

- **Service details**
  - Description
  - Opening times
  - Availability of appointments/walk-ins

Mapping support services from open data: benefits of better open data

Good quality and easy to access open data on local services is crucial to supporting efforts to address the cost of living crisis. Work on this open data must be adequately resourced and funded and will likely lead to long-term improvements in efficiency. Such data would have five key benefits to those in need and those attempting to support them:

Targeting of new support to address gaps

Support providers to collaborate

Prevent duplication

People can find relevant support service

Save time signposting services

Local and national government and third sector organisations can quickly identify gaps in provision to target their resources.

Including supporting referrals between organisations, which is particularly important as the cost of living crisis has meant that those in need are more often presenting with multiple needs.

By having a single source for information on services, charities and government will not duplicate effort producing service directories for their beneficiaries and residents.

Those in need can more quickly find good quality data on relevant support services.

As people can either self-signpost, or practitioners can use open data to identify appropriate services.
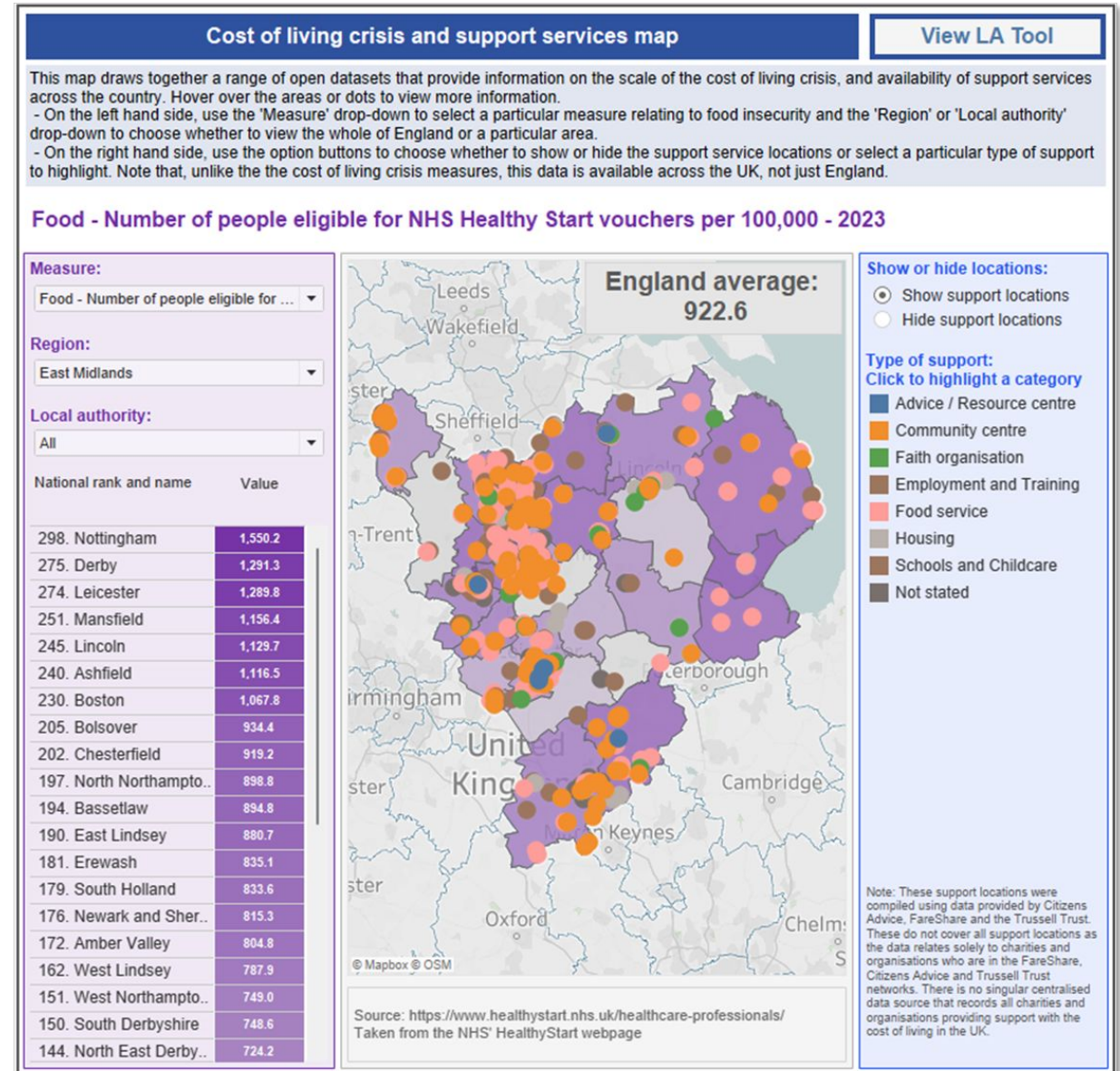
Open data tools and data ethics

Open data tools can present data in an accessible and useful way. Using the same open dataset, the two ODI open data tools (explained later in this slide) present local authority level data in very different ways for different audiences. This demonstrates how publishing more open data can support a wide range of analysis and insights.

Researcher and Policy Maker Tool

This data tool presents a vast array of local authority level data on the cost of living. Users can select from more than 100 indicators and visualise the geographical distribution, alongside support locations. This tool is built from two combined datasets:

- A 'demand' dataset from more than 50 open data sources across government departments, charities, think tanks and the NHS, demonstrating which local areas may be most at risk or in need.

- A 'supply' dataset from Citizens Advice, Trussell Trust, FareShare, and Christians Against Poverty service directories. This displays services in around 95% of all local authorities in England and includes information on the type of service and target demographic.

Open data tools and data ethics

Local Area Explorer Data Tool

This data tool uses the same open dataset to present insights on the key cost of living issues and support services in a local area. This can be used by individuals, community organisations, and local government to better understand the issues in their area and identify support services.

- This tool uses an open algorithm to present the most concerning data in each domain for every local authority in the country. The algorithm scores each data point for every local authority based on their rank among all local authorities and their distance from the England average.

- The tool also presents the data on all local support services under each domain, with a link and contact details.

ODI Data Ethics Canvas

Alongside the tools and open dataset, we have published a data ethics canvas. This identifies potential ethical issues associated with this project and publishing of the open dataset – and sets out mitigations. You can see the Data Ethics Canvas here.

The cost of living challenges in your area:

Your postcode, e.g. N2 1HP

The cost of living in Barnet

Food — 48% of school pupils eligible for free school meals. England average: 32%. Support: Barnet Food Bank (Link)

Housing — 13 homeless per 100,000 residents. England average: 8. Support: Barnet Housing Association (Link)

Fuel — 67% of households with EPC below C. England average: 71%. Support: Citizens Advice Barnet (Link)

Debt — Average household debt of £1,267. England average: £985. Support: Debt Advice Service Barnet (Link)

Summary

Conclusion

The current data hints at a worsening crisis, with particular groups impacted more severely.

High inflation has placed increased financial pressures on many households across the UK, who are facing a cost of living crisis.

The cost of living crisis refers to the fall in 'real' disposable incomes – adjusted for inflation and after taxes and benefits – that the UK has experienced since the later months of 2021. The combination of extreme annual inflation rates – tracked using the Consumer Price Index (CPI) – along with employee wages failing to keep pace, has led to a fall in real household disposable income.

By looking across multiple datasets, several groups emerge as being impacted across more than one category: housing, food and fuel poverty and debt. This may lead to a domino effect, with multiple issues piling up for some households.

1. **Young people (aged 16-24)**
   18% of households where the head of the household is under 25 are food insecure, and 10% have relied on food banks in the past 12 months. Households where the oldest member is aged 16 to 24 are also the most likely to be in fuel poverty and had the highest average fuel poverty gap of any age group.

2. **Social and private renters**
   Social and private renters appear far more likely than owners to be experiencing food insecurity. Strikingly, one in five social renters were found to be food insecure, and 11% had used a food bank in the past 12 months. They are also more likely to be seeking debt advice.

3. **Single parent households**
   Over a quarter (26.4%) of single parent households are in fuel poverty. Single parents are also overrepresented in those seeking debt advice, suggesting they are more likely to be overburdened with debt.

Conclusion

Existing data has some key gaps and limitations, with four key data challenges emerging throughout the analysis.

1. **Understanding the scale of the problem requires combining datasets**

   Examining one issue in isolation provides only one piece of the puzzle and, to get a more comprehensive picture, datasets need to be combined. For instance, by bringing together official data with data collected from Freedom of Information (FOI) requests and other charities, Shelter developed a more complete account of homelessness in England.

2. **Individuals, families and households may be excluded from official statistics**

   Some people are missing from official statistics. This includes people who may be considered homeless but are not captured in official statistics or those who, because they live in energy efficient homes, are automatically excluded from fuel poverty statistics. As a result, current data doesn't tell the whole story.

3. **Key datasets are out of date**

   Government datasets are often a year or two years out of date, meaning that the currently available information lags behind people's real experiences. As the situation is changing rapidly, data can be out of date before it's published, and can no longer be relied upon to make informed policy decisions.

4. **Figures are not published at a sufficient level of geographic granularity**

   Several key official statistics are only published at a regional or national level. This masks sub-regional differences. Local authorities and public services are often missing key intelligence to inform their decisions. In addition, there is no uniform approach as to whether datasets are available at an England, Great Britain or United Kingdom level.

Data recommendations

The cost of living crisis has undoubtedly exacerbated the economic problems that individuals and families face. Whilst the ODI does not claim that data can solve these problems by itself, *we believe that the application of data standards, increased availability of data and timely availability of relevant and localised data can improve the way that these problems are addressed and targeted.*

While we acknowledge that many of these measures will have a cost attached (mostly for national and local governments) we believe that such costs will likely be balanced against savings made due to better targeting of assistance, more timely interventions and greater ability for individuals to seek help from the right organisations at the right time.

We are making the following recommendations in relation to *the better use and application of data*:

Publishing a cost of living index that shows data by age, gender, ethnicity and geography. This would highlight the disparities across these classifications and provide useful information for better targeting support including benefits, housing and finance. The index could show housing, food, transport, fuel costs, with 'baskets of goods' data weighted by these categories.

Publication of a cost of living help database, which can be used to analyse problems arising from rising or sustained living costs. It should contain the most up-to-date information available and a tool with localised and regionalised information, where charities, welfare organisations and individuals can access contact details of organisations, details of help/benefits available and advice on problems with debt and housing costs.

Standardising and expanding the geographical coverage of data. There is currently limited standardisation of whether official statistics apply to England, England and Wales, Great Britain or the United Kingdom. While some of this is due to devolved powers, the standardisation of data across the nations of the UK would allow for more robust comparison and provide a more complete picture of the cost of living crisis across the UK. Where possible, we also recommend that data is published at the lowest geographic granularity possible, ideally local authority districts.

Data recommendations

Publication of more accurate, timely data on homelessness and social housing to better understand those who are at risk and where the need for support lies, including:

- *The number of people who present as homeless or at risk of homelessness* to their local authority. Around a third of those using homelessness services do not reach the formal assessment stage and do not feature in the government data.

- *Data on social housing based on room size* – young people are usually single and can only access studio or one-bed housing, but there is a shortage of one-bed social housing, yet the government does not currently collect information about social housing based on room size.

- *Increased funding of reporting requirements for housing associations.* Requiring housing associations to meet the same reporting requirements as local authorities would provide a more complete picture of the state of the housing stock in the social rental sector. This should also include data on the quality of the housing stock owned by private housing associations.

Collection and publication of data on high-cost debt and BMPL debt at a national (including devolved nations), regional and local level, so that we can understand how this impacts people differently across the UK and allow both government and welfare organisations to identify and address problems by geography, age or type of debt.

Publication of fuel poverty data in full, removing the omission of English homes with an EPC rating of C or above in fuel poverty statistics. In Scotland, Wales and Northern Ireland those in poverty in such homes are included in the statistics. 52.8% of all low-income households in England lived in a property with an EPC of C or above, but all of those were excluded from fuel poverty statistics. This equates to approximately 3.6 million households and paints an inaccurate picture of fuel poverty in England and the UK as a whole.

Data recommendations

Improving data on food insecurity:

- *Reliable tracking of food insecurity over time –* as highlighted in the ODI's **Food Insecurity and Data Infrastructure** report, this would allow better measurement of the scale of the problem, and enable the evaluation of the impact of food support interventions. As the Food Standards Agency points out in its 2023 **report**, there is currently no analysis of the impact of free school meals or Healthy Start on food insecurity.

- **Better understanding of *who* experiences food insecurity and *where* they live**, as geographical and demographic granularity in the existing open data is limited. More comprehensive datasets would mean the government and charities can better understand who is most at risk of food insecurity and target support to specific households, neighbourhoods, or demographic groups.

- **Access to a single directory of food support available**. Lists and interactive maps showing food support service locations are disparate and incomplete. As part of the **Food Insecurity and Data Infrastructure** work in 2022, the ODI brought together a single dataset of almost 4,000 food support locations into a single online tool. This was the first time that data from multiple food support providers had been combined in this way. This dataset has been updated as part of this cost of living project.

Adoption of open standard infrastructure to support the data collection that would inform the provision of services.

The appropriate targeting of support requires timely and accurate data on the location and details of support services. The more complete adoption and implementation of an open data standard, such as Open Referral UK, would ensure the collection of better quality and more consistent data. This would help to connect those in need to local services.

Appendix

Glossary

High-cost short-term credit

This is a broad term that encompasses several financial products such as overdrafts, loans and rent-to-own schemes. The Financial Conduct Authority has strict criteria on what can be considered high-cost short-term credit, which includes an APR of equal to or more than 100% with a maximum repayment term of 12 months.

Household Reference Person / Head of Household

This person is sometimes used in official statistics when one person needs to be chosen from the household to be representative. There are specific criteria for establishing who should be the Household Reference Person, which can be found here.

Open data standard

Open standards for data are "documented, reusable agreements that help people and organisations to publish, access, share and use better quality data"

References: Report Datasets

Data category	Source	Dataset	Geographical coverage	Date published	Most recent year of data	Licence
Debt	Citizens Advice	Clients with issues by region, month and year	England, Wales and Northern Ireland	2023	2023	Included with permission from Citizens Advice and made available under a CC BY 4.0 license
Fuel	Department for Business, Energy and Industrial Strategy	Fuel poverty statistics	England	2023	2022	Open Government Licence v3.0
Housing	Department for Levelling Up, Housing and Communities	English Housing Survey	England	2023	2022	Open Government Licence v3.0
Housing	Department for Levelling Up, Housing and Communities	Rough sleeping statistics	England	2023	2022	Open Government Licence v3.0
Housing	Department for Levelling Up, Housing and Communities	Statutory homelessness statistics	England	2023	2023	Open Government Licence v3.0

References: Report Datasets

Data category	Source	Dataset	Geographical coverage	Date published	Most recent year of data	Licence
Food	Department for Work and Pensions	Family Resources Survey	United Kingdom	2023	2022	Open Government Licence v3.0
Food	The Food Foundation	Food Prices Tracking	United Kingdom	2023	2023	Public data, provided on website
Debt	The Insolvency Service	Individual Insolvencies by Location, Age and Gender	England and Wales	2023	2021	Open Government Licence v3.0
All	Office for National Statistics	Average weekly earnings in Great Britain	Great Britain	2023	2023	Open Government Licence v3.0
All	Office for National Statistics	Census 2021	England and Wales	Releases ongoing	2021	Open Government Licence v3.0
All	Office for National Statistics	Consumer price inflation, UK	United Kingdom	2023	2023	Open Government Licence v3.0

References: Report Datasets

Data category	Source	Dataset	Geographical coverage	Date published	Most recent year of data	Licence
All	Office for National Statistics	Cost of living: latest insights	United Kingdom	2023	2023	Open Government Licence v3.0
Debt	Office for National Statistics	Household debt: wealth in Great Britain	Great Britain	2022	2020	Open Government Licence v3.0
Housing	Office for National Statistics	Index of Private Housing Rental Prices, UK: June 2023	United Kingdom	2023	2023	Open Government Licence v3.0
Housing	Office for National Statistics	Private rental market summary statistics for England	England	2023	2023	Open Government Licence v3.0
Food	Trussell Trust	End of Year Statistics	United Kingdom	2023	2023	Included with permission from Trussell Trust and made available under a CC BY 4.0 license

Note: As part of this project a more comprehensive combined open dataset has been made available for analysis through the data tools and is downloadable in spreadsheet format.
Metadata on the full dataset will also be published alongside this report and the data tools.

References: Bibliography

Barclays (2022), 'Retailer support for regulated 'Buy Now Pay Later' products could save 876,000 Brits from problem debt'.
https://home.barclays/news/press-releases/2022/060/retailer-support-for-regulated--buy-now-pay-later--products-coul/

Bank of England (2023), 'Money and Credit – June 2023'.
https://www.bankofengland.co.uk/statistics/money-and-credit/2023/june-2023

Centrepoint (2023), 'Beyond the numbers: The scale of youth homelessness'.
https://centrepoint.org.uk/news/beyond-numbers-scale-youth-homelessness

Data Communications Company (2021), 'Data for good'.
https://www.smartdcc.co.uk/media/1254/21037-dcc-data-for-good-paper_v8-final.pdf

Deller, Turner and Waddams Price (2022), 'Energy poverty indicators: Inconsistencies, implications and where next?'
https://www.sciencedirect.com/science/article/abs/pii/S0140988321004278

Department for Energy Security and Net Zero (2023), 'Energy Price Guarantee'.
https://www.gov.uk/government/publications/energy-bills-support/energy-bills-support-factsheet-8-september-2022

Department for Levelling Up, Housing and Communities (2006), 'A decent home: definition and guidance'.
https://www.gov.uk/government/publications/a-decent-home-definition-and-guidance

Feeding Britain (2023), 'Affordable Food Clubs Impact Report March 2023'.
https://feedingbritain.org/affordable-food-clubs-impact-report-march-2023/

Financial Conduct Authority (2019), 'Consumer credit – high-cost short-term credit lending data'.
https://www.fca.org.uk/data/consumer-credit-high-cost-short-term-credit-lending-data-jan-2019

Financial Conduct Authority (2023), 'Financial Lives 2022 survey – Key findings from the May 2022 survey'.
https://www.fca.org.uk/publications/financial-lives/financial-lives-survey-2022-key-findings

References: Bibliography

Food Standards Agency (2023), 'Household food insecurity in the UK: data and research landscape'.
https://www.food.gov.uk/research/household-food-insecurity-in-the-uk-data-and-research-landscape

Generation Rent (2023), 'The real reason rents have been rocketing'.
https://www.generationrent.org/2023/06/19/the-real-reason-rents-have-been-rocketing/

The Guardian (2023), 'First-time homebuyers now need nearly 10 years to save a deposit, research finds'.
https://www.theguardian.com/money/2023/jul/03/first-time-homebuyers-now-need-nearly-10-years-to-save-a-deposit-research-finds

The Guardian (2022), 'Where will struggling households turn to after UK clampdown on payday lenders?'
https://www.theguardian.com/money/2022/aug/30/where-will-struggling-households-turn-to-after-uk-clampdown-on-payday-lenders

HM Treasury (2022), 'Autumn Statement 2022'.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1118417/CCS1022065440-001_SECURE_HMT_Autumn_Statement_November_2022_Web_accessible__1_.pdf#page=33

House of Commons Research (2023), 'Gas and electricity prices under the Energy Price Guarantee and beyond'.
https://commonslibrary.parliament.uk/research-briefings/cbp-9714/

Institute for Fiscal Studies (2023), 'Freezes in housing support widen geographic disparities for low-income renters'.
https://ifs.org.uk/articles/new-data-shows-continued-freezes-housing-support-widen-geographic-disparities-treatment

Institute for Government (2022), 'Cost of living crisis explainer'.
https://www.instituteforgovernment.org.uk/explainer/cost-living-crisis

Joseph Rowntree Foundation (2023), 'The cost of debt for low-income households in the cost of living crisis'.
https://www.jrf.org.uk/blog/cost-debt-low-income-households-cost-living-crisis

References: Bibliography

Joseph Rowntree Foundation (2023) 'Unable to escape persistent hardship: JRF's cost of living tracker, summer 2023'.
https://www.jrf.org.uk/report/unable-escape-persistent-hardship-jrfs-cost-living-tracker-summer-2023

Office for National Statistics (2022), 'Energy prices and their effect on households'.
https://www.ons.gov.uk/economy/inflationandpriceindices/articles/energypricesandtheireffectonhouseholds/2022-02-01

Office for National Statistics (2023), '"Hidden" homelessness in the UK: evidence review'.
https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/hiddenhomelessnessintheukevidencereview/2023-03-29

Office for National Statistics (2023), 'How increases in housing costs impact households'.
https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/howincreasesinhousingcostsimpacthouseholds/2023-01-09

Office for National Statistics (2023), 'Monthly mortgage repayments up 61% for average semi-detached home in the UK'.
https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/monthlymortgagerepaymentsup61foraveragesemidetachedhomeintheuk/2023-03-08

Office for National Statistics (2022), 'Tracking the price of the lowest-cost grocery items, UK, experimental analysis: April 2021 to September 2022'.
https://www.ons.gov.uk/economy/inflationandpriceindices/articles/trackingthelowestcostgroceryitemsukexperimentalanalysis/april2021toseptember2022

Office for Statistics Regulation (2022), 'Cost of Living Crisis: Unpicking and Understanding the data gaps'.
https://osr.statisticsauthority.gov.uk/blog/cost-of-living-crisis-unpicking-and-understanding-the-data-gaps/

Open Data Institute (2022), 'Food insecurity and data infrastructure: report, video and tool'.
https://theodi.org/article/food-insecurity-and-data-infrastructure/

Open Data Institute (2022), 'Fuel poverty and data infrastructure: report and fuel poverty risk index'.
https://www.theodi.org/article/fuel-poverty-and-data-infrastructure-report-and-fuel-poverty-risk-index/

References: Bibliography

Open Data Institute, nd, 'What are open standards?'.
https://standards.theodi.org/introduction/what-are-open-standards-for-data/

Open Data Institute, nd, 'What is data infrastructure?'.
https://theodi.org/topic/data-infrastructure

Open Data Institute (2022), 'Food insecurity and data infrastructure: report, video and tool'.
https://theodi.org/article/food-insecurity-and-data-infrastructure/

Open Data Institute (2022), 'Fuel poverty and data infrastructure: report and fuel poverty risk index'
https://www.theodi.org/article/fuel-poverty-and-data-infrastructure-report-and-fuel-poverty-risk-index/

Shelter (2023), 'Alert Briefing: Homelessness and the Cost of Living Crisis'
https://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/alert_briefing_homelessness_and_the_cost_of_living_crisis

Shelter (2023), 'Research: Homelessness in England 2022'.
https://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/research_homelessness_in_england_2022

StepChange (2023), 'Monthly client data report: June 2023'.
https://www.stepchange.org/policy-and-research/personal-debt-statistics-in-the-uk/monthly-client-report-june-2023.aspx

The Telegraph (2023), 'A mortgage repayment crisis is looming – and this age group will be hit the worst'.
https://www.telegraph.co.uk/personal-banking/mortgages/age-group-facing-mortgage-disaster-without-even-realising/

Think Digital Partners (2023), 'DLUHC reveals lack of data sharing on vulnerable people'.
https://www.thinkdigitalpartners.com/news/2023/08/22/dluhc-reveals-lack-of-data-sharing-on-vulnerable-people/

References: Bibliography

The Times Money Mentor (2023), 'Why are mortgage rates so high?'.
https://www.thetimes.co.uk/money-mentor/article/uk-mortgage-rates-rise-news-why/

The Trussell Trust (2023), 'Hunger in the UK'.
https://www.trusselltrust.org/wp-content/uploads/sites/2/2023/06/2023-Hunger-in-the-UK-report.pdf

Warm Spaces, nd, 'Warm Spaces Map'
https://warmspaces.org/#map

Which? (2021), 'Under Pressure: Who uses Buy Now, Pay Later?'.
https://www.which.co.uk/policy-and-insight/article/under-pressure-who-uses-buy-now-pay-later-aiFRV3f8zAI8