

Cost of Living Update

10th July 2023

- The overall inflation rate remained stable at 8.7% in May 2023 (the same as April). Inflation in key categories for the 12 months to 30th May was:
 - Clothing 7.1% (increase from 6.8% in April)
 - Transport 1.2% (decrease from 1.5% in April)
 - Housing, water and fuel 12.1% (decrease from 12.3% in April)
 - Food and non-alcoholic beverages 18.3% (decrease from 19.0% in April)
- The most notable change in inflation rates was between March and April in housing, water and fuel, which is mainly attributed to the fall in fuel prices ([ONS 2023](#)). It is important to note that a decrease in the inflation rate does not translate to a reduction in shelf prices, rather a downward trend in inflation indicates a slowing of price rises. This is supported by the Office for National Statistics [Opinions and Lifestyle Survey](#), which found that 96% of adults in Great Britain reported an increase in the price of their food shop from the month to June 2023.
- Road fuel prices have continued to fall nationally, from an absolute peak reached exactly one year ago with the week ending 2nd July 2022 (£1.92 for petrol and £1.99 for diesel), to around £1.43 for petrol and £1.46 for diesel per litre. It now costs less to fill a petrol Ford Fiesta (-23%) than 1 year ago and costs less to fill a diesel BMW 3 series (-26%). [The Competition and Markets Authority \(CMA\) released](#) their latest findings in mid-May on the price of road fuel, attributing the higher pump prices to more than outside factors and the CMA have expressed concerns that a lack of competition in the market was placing unfair financial costs on the public. Following the release of the CMA's findings, there has been a notable decrease in the diesel (10ppl reduction) bringing the price of petrol and diesel within 3ppl, which are in line to levels prior to the Russian invasion of Ukraine (24th February 2022).
- **Updated:** In Suffolk, there were 21% of pupils known to be eligible for Free School Meals at the start of the academic year 2022/23. Additionally, the Free School Meals Map has been updated using data from the January 2023 School Census. There are 5 Middle Super Output Areas (MSOAs¹) that have at least 40% of their pupils eligible for free school meals. Four of these MSOAs are located in Lowestoft and the other in West Ipswich. When viewed at Lower Super Output Area (LSOA¹) level, there are 34 LSOAs that have at least 40% of their pupils eligible for free school meals. The majority are in Lowestoft and Ipswich, with additional LSOAs scattered around Suffolk; southwest of Haverhill, west of Bury St Edmunds, west of Stowmarket, and Beccles.
- The median monthly rental prices have increased by 9.7% in Suffolk (£795) in the year leading up to March 2023. The annual change in Suffolk is greater than that of East of England (4.0%), however, the median monthly rent is less in Suffolk (£795) than East of England (£900).
- The median price paid for a residential property in Suffolk increased by 3.6% in the year leading up to December 2022. The annual change in Suffolk for house prices was less than East of England (4.0%), with median house prices in Suffolk costing less (£285,000) than East of England (£338,000). The median cost of house in Suffolk ranged from as high as £483,500 in Southwold, Reydon and Wrentham to as low as £143,250 in Lowestoft Central. Houses were more affordable in Suffolk compared to the East of England. Suffolk had a house price to gross annual earnings ratio of 9.1, compared to the East of England at 9.7. Across Suffolk the affordability of houses is better in Ipswich, where the median cost of a house is 7.7 times the gross annual salary of residents. The least affordable area is Babergh, where residents would require 10.9 times their gross annual salary to purchase a house.
- On a National scale, Citizens Advice (CA) have helped record numbers of people with cost-of-living support in 2023, exceeding the number of people supported in previous years ([CA 2023](#)). This trend is echoed across Suffolk with the number of people helped across enquires in June 2023 - 25% greater than in June 2022. With increasing demands on CA services, CA branches in Suffolk have expressed concerns that they are experiencing a higher number of requests than their resources can support. Some branches have reported having to reduce the type of contact channels (*i.e.* reducing drop-in services) to mitigate workload on the CA team.

www.healthysuffolk.org.uk/JSNA

¹ MSOA and LSOA are population density based geographical areas designed to improve reporting between areas. MSOA = minimum population is 5000 and the mean is 7200, LSOA= minimum population is 1000 and the mean is 1500.