

Estimating the number of households most affected by the cost of living crisis in Coventry



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Coventry City Council



Background

- Nationally published evidence (e.g. [Child Poverty Action Group](#), [MoneySavingExpert](#)) and local analysis and interpretation of the evidence ([Todd Williams, Insight Team](#)) has established the scale of the impact of the rapid increase in the cost of living for our households.
- This has established that a lot of households previously ‘managing well’ will encounter difficulties if household energy costs were to increase from the current rate –a ‘typical’ bill of £1,971.00 per annum under the April 2022 price cap, to £3,549.00 per annum under the October 2022 price cap.
- The April 2022 price cap is already a significant increase from the April 2021 price cap, when typical bills on the price cap was £1,138.00 – and many households were paying well below that rate as a result of the then-competitive energy market.
- This paper attempts to address something missing from existing literature, that is, evidence on the number of households, in each part of the city, who will be most affected by the cost of living crisis.
- At time of writing, the Government is expected to announce a package of measures to address this – and this is expected to include capping prices to the equivalent of a ‘typical’ bill of around £2,500.00.

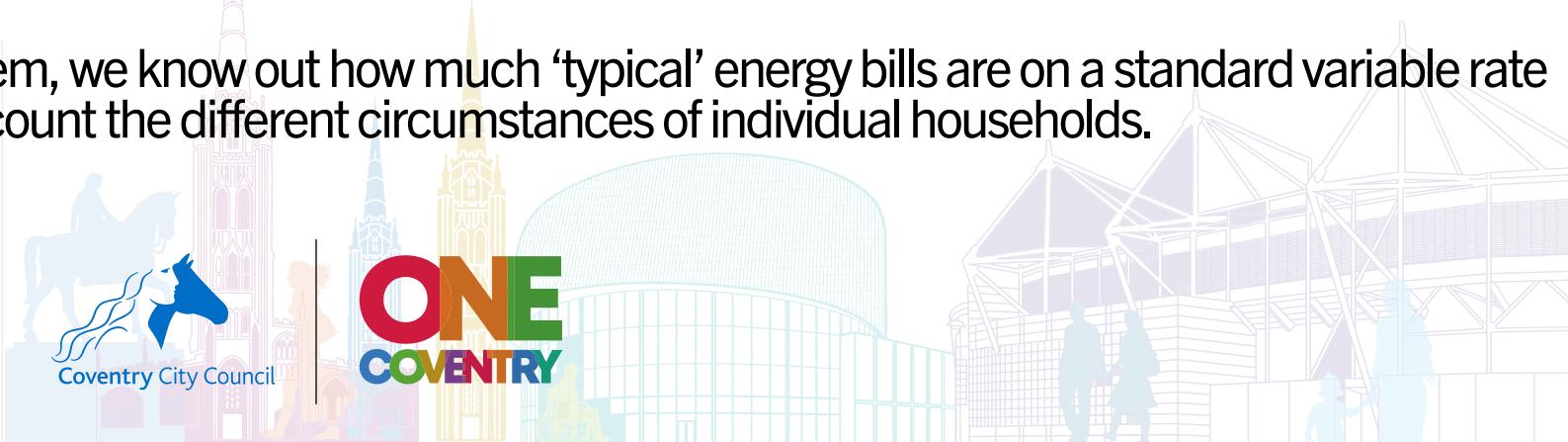
Purpose

- This paper seeks to estimate the number of households most affected by the cost of living crisis in Coventry.
- Specifically, it looks at estimating the number of households across different small geographies in Coventry that currently spend a disproportionate amount of their household income to stay warm.
- *How much do you spend on your energy bills?*
- *How much is that, as a percentage of your household income?*



Methodology

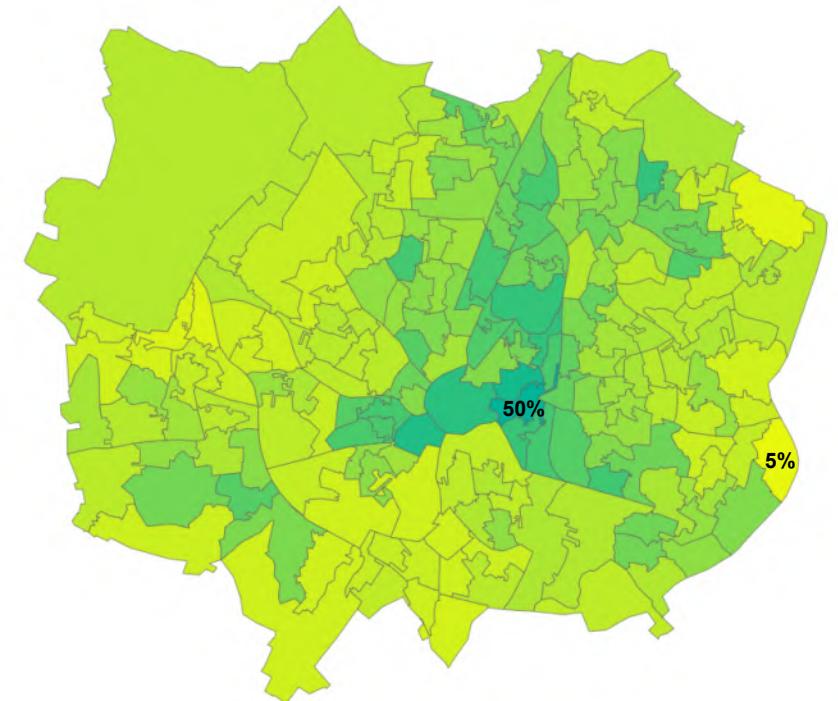
- To work out the number of people who are fuel poor, we can look at the number and percentage of **households spending more than a proportion of their income to stay warm** by dividing the annual energy costs of a household by their annual household income.
- Historically, the UK government has used a figure where ‘fuel poverty’ is defined as households spending more than 10% of their income after housing costs; and ‘extreme fuel poverty’ as more than 20%. The Child Poverty Action Group uses a similar measure of more than 10% of ‘net income’ (after housing, childcare and Council tax); plus additional metrics showing 20%, 25% and 30% of ‘net income’.
- Coventry City Council has access to household income from CACI Paycheck, which sets out, at small geographies (postcode, output area, and lower super output area), average household income, and also estimates of the number of households in each £5,000 income band. This, however, is the gross income rather than net income.
- Using data from the energy regulator, Ofgem, we know out how much ‘typical’ energy bills are on a standard variable rate tariff. Of course, this does not take into account the different circumstances of individual households.



Note on the Low Income Low Energy Efficiency measure

- The Government publishes sub-national estimates of their definition of ‘fuel poverty’ in England using their Low Income Low Energy Efficiency (LILEE) measure. LILEE defines a household as 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 of below the official poverty line (that is, households with a disposable income of less than 60% of the national median).
- By definition, a household living in a property with an energy efficiency rating of bands A, B, or C cannot be considered as ‘fuel poor’, no matter how much they earn.
- Additionally, the LILEE data is lagged – data published in 2022 relates to 2020, and therefore does not take into account the rapid increase in the cost of living in 2021 and 2022.
- For these reasons, we are not using LILEE.

% of households in fuel poverty measured by LILEE



Data source: UK Government Fuel Poverty in England sub-regional statistics, measured by Low Income Low Energy Efficiency (LILEE), 2020 data published 28 April 2022



Headline results

- The results of this exercise suggest that in Coventry, out of **150,131 households** in Coventry, there are currently **35,370 households (24%)** spending 10% of their income to stay warm. This is expected to rise rapidly to **92,883 households (62%)** when the October 2022 price cap comes into operation.
- Of course, this assumes that people have a ‘typical’ energy bill, and they are paying the standard variable rate at the price cap figure.
- Households who use less than the ‘typical’ energy bill, or who remain on a previous ‘fixed’ tariff deal will likely pay less; but households with a greater demand for energy, e.g. if they live in a even more poorly insulated home than the average, may pay even more.
- Results also assume there continues to be no measures taken to mitigate the impact of rising costs for households.



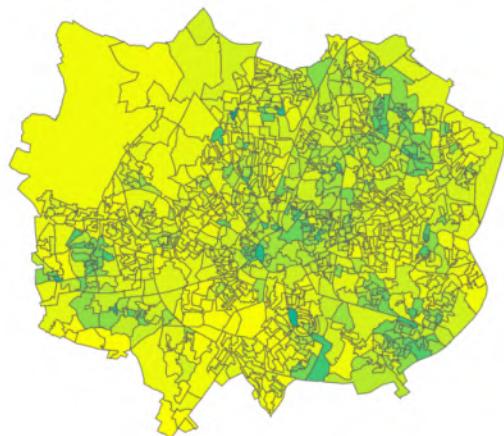
The number (and proportion) of households spending 10%, 25% and 50% of their income to stay warm

% of household income spent to stay warm	April 2022 (estimated)	October 2022 (predicted)
10%	35,370 (24%)	92,883 (62%)
25%	3,492 (2%)	17,670 (12%)
50%	0 (0%)	3,492 (2%)

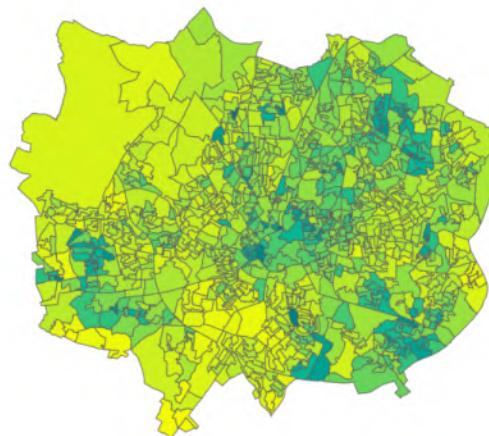


Households in each output area spending 10% of their income to stay warm

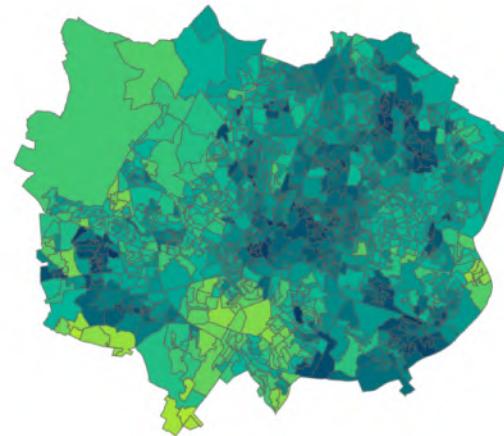
...in October 2021



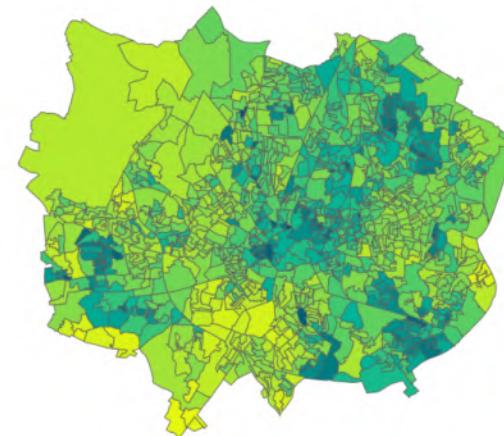
...in April 2022



...by October 2022



...by Oct 2022 with cap



17,670

12%

35,370

24%

92,883

62%

53,510

36%

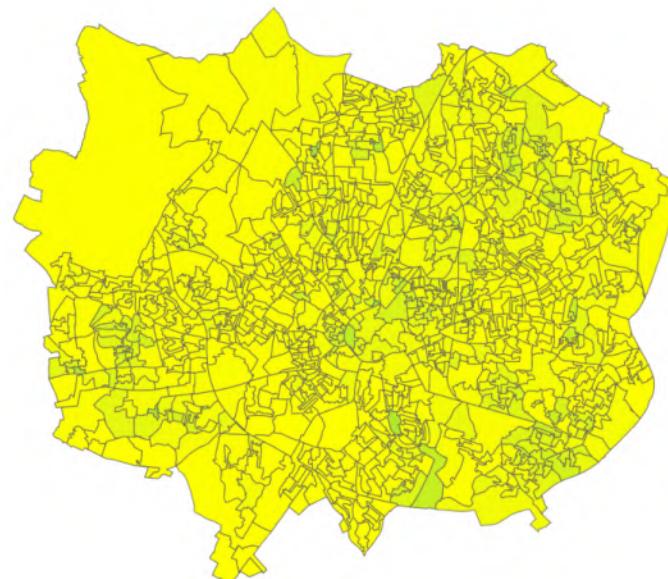


0% 50% 100%

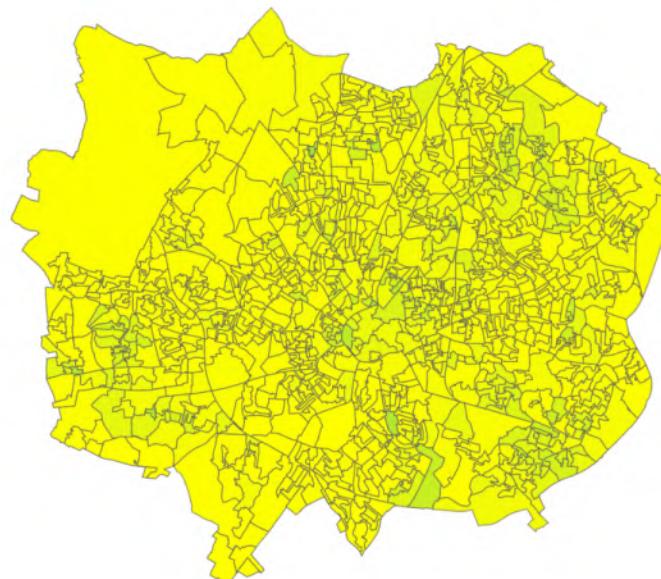
Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

Households in each output area spending 25% of their income to stay warm

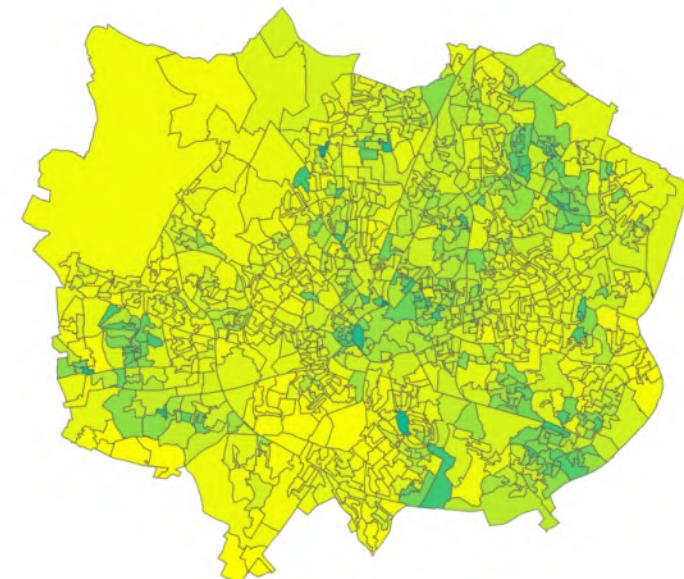
October 2021



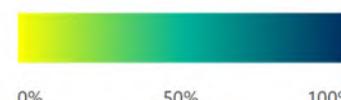
April 2022



October 2022



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023.

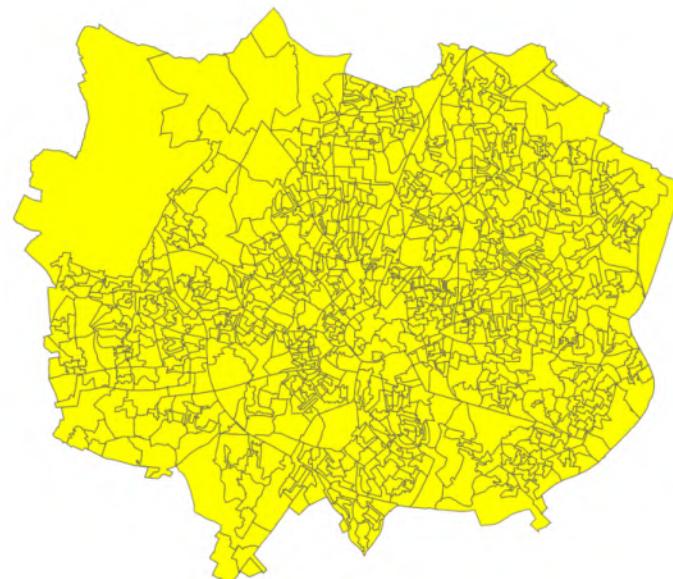


GeographyName

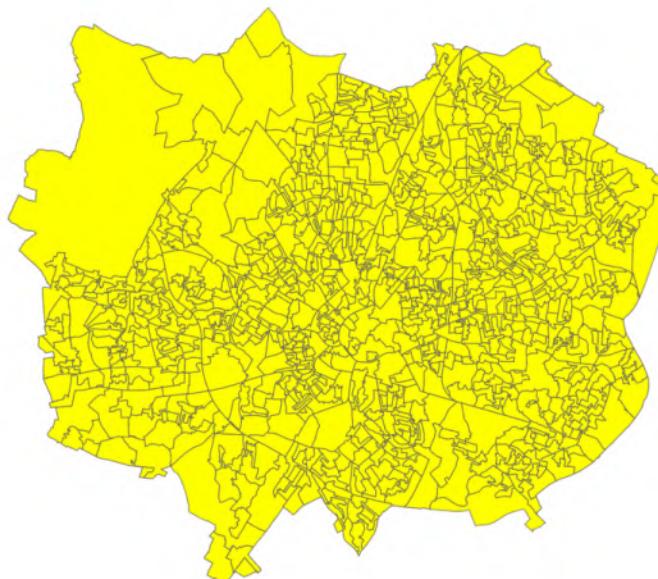
All

Households in each output area spending 50% of their income to stay warm

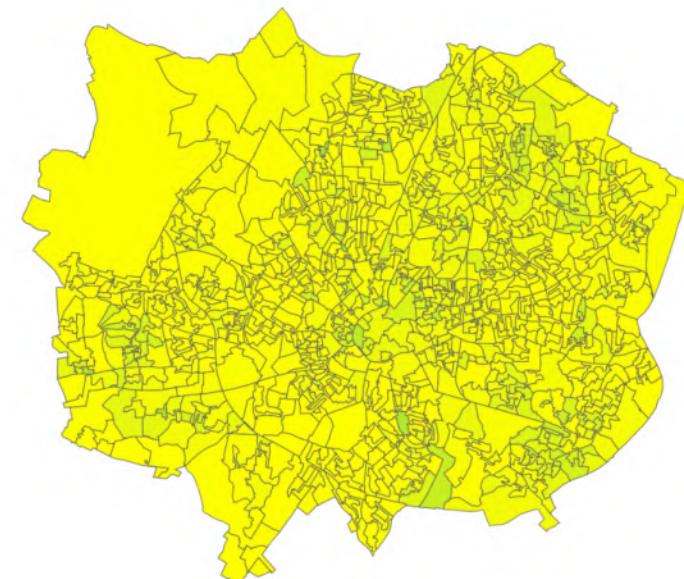
October 2021



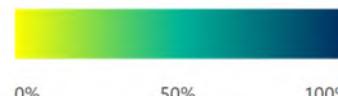
April 2022



October 2022



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023.



GeographyName

All

Spending 10% of income to stay warm, by ward

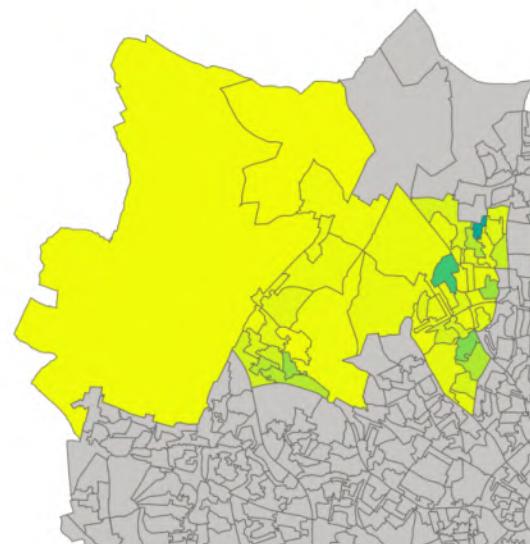
Households spending 10% of income to stay warm in...

Ward	Households	Oct 2021	Apr 2022	Oct 2022	Oct 2022 w/cap	Jan 2023	Oct 2021	Apr 2022	Oct 2022	Oct 2022 w/cap
Bablake	6724	565.99	1,173.46	3,528.98	1,848.08	4,446.35	8.42%	17.45%	52.48%	27.49%
Binley and Willenhall	7952	1,392.38	2,567.75	5,668.69	3,643.30	6,508.30	17.51%	32.29%	71.29%	45.82%
Cheylesmore	8298	875.39	1,764.34	4,835.26	2,700.54	5,902.27	10.55%	21.26%	58.27%	32.54%
Earlsdon	6369	304.30	709.08	2,624.08	1,208.33	3,503.73	4.78%	11.13%	41.20%	18.97%
Foleshill	8345	1,300.19	2,529.18	6,022.25	3,716.11	6,965.25	15.58%	30.31%	72.17%	44.53%
Henley	8852	1,393.60	2,622.04	6,081.19	3,786.31	7,071.76	15.74%	29.62%	68.70%	42.77%
Holbrook	7703	726.91	1,550.96	4,585.50	2,461.75	5,630.10	9.44%	20.13%	59.53%	31.96%
Longford	8561	1,260.88	2,438.78	5,878.97	3,584.35	6,872.14	14.73%	28.49%	68.67%	41.87%
Lower Stoke	9913	932.00	1,971.98	5,764.44	3,108.54	7,099.06	9.40%	19.89%	58.15%	31.36%
Radford	9579	1,250.11	2,482.30	6,328.04	3,724.32	7,502.17	13.05%	25.91%	66.06%	38.88%
Sherbourne	7504	789.27	1,589.57	4,335.02	2,425.61	5,302.88	10.52%	21.18%	57.77%	32.33%
St Michael's	14804	2,322.97	4,593.23	10,967.54	6,792.07	12,591.43	15.69%	31.03%	74.09%	45.88%
Upper Stoke	8469	1,015.85	2,075.99	5,525.51	3,174.69	6,591.55	11.99%	24.51%	65.24%	37.48%
Wainbody	5005	261.81	609.37	2,208.03	1,034.42	2,910.73	5.23%	12.18%	44.12%	20.67%
Westwood	8628	979.22	1,935.38	5,106.86	2,919.51	6,183.15	11.35%	22.43%	59.19%	33.84%
Whoberley	7861	641.46	1,448.06	4,540.07	2,364.31	5,624.57	8.16%	18.42%	57.76%	30.08%
Woodlands	8094	918.03	1,805.96	4,677.51	2,702.66	5,663.90	11.34%	22.31%	57.79%	33.39%
Wyken	7460	739.65	1,503.05	4,205.47	2,314.79	5,177.78	9.91%	20.15%	56.37%	31.03%
Total	150120	17,670.01	35,370.48	92,883.41	53,509.69	111,547.12	11.77%	23.56%	61.87%	35.64%



Households in Blabake spending 10% of their income to stay warm

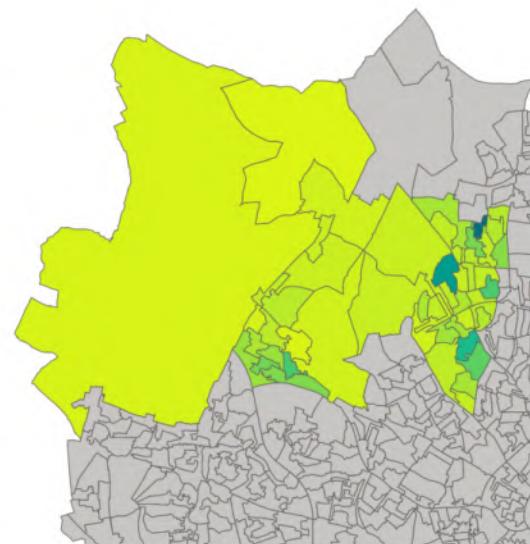
...in October 2021



566

8%

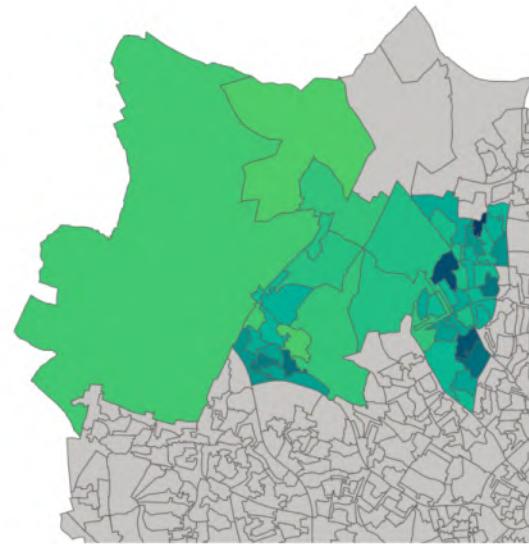
...in April 2022



1,173

17%

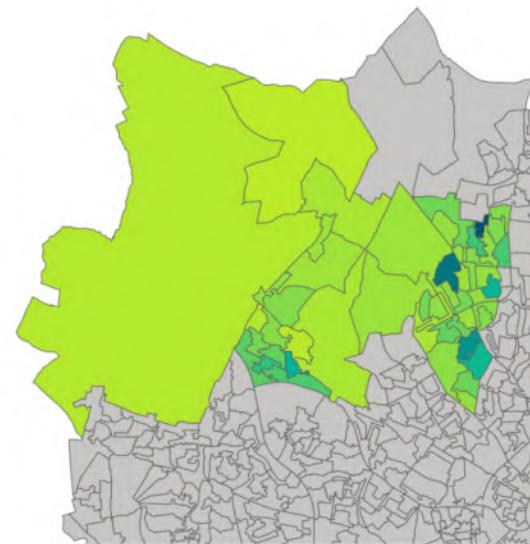
...by October 2022



3,529

52%

...by Oct 2022 with cap



1,848

27%

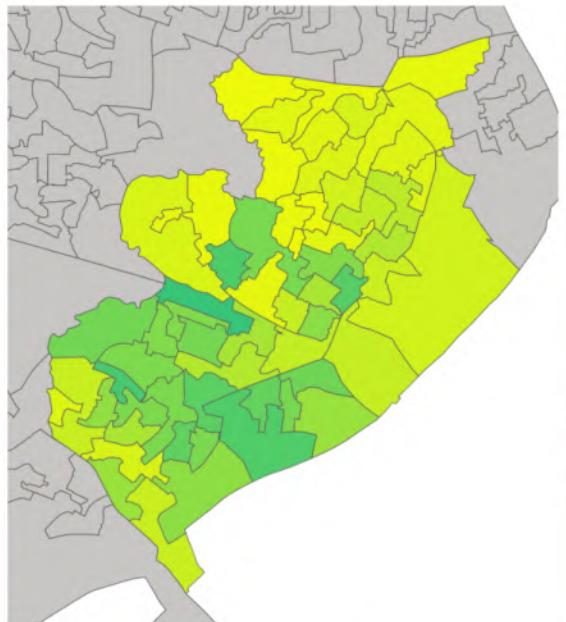
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0% 50% 100%

Households in Binley and Willenhall spending 10% of their income to stay warm

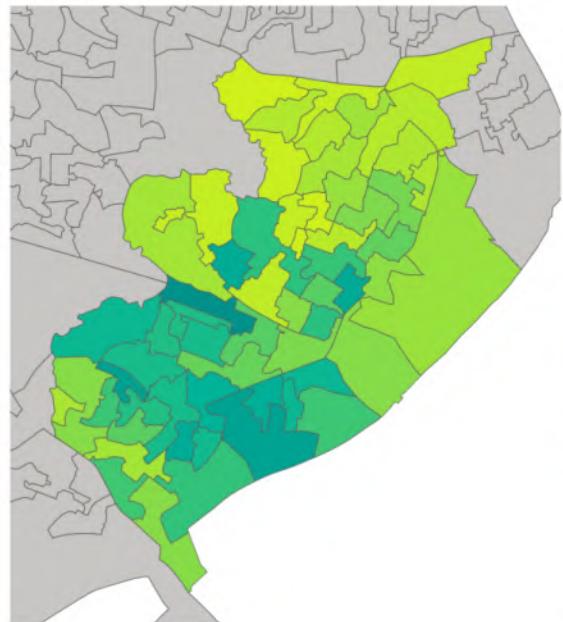
...in October 2021



1,392

18%

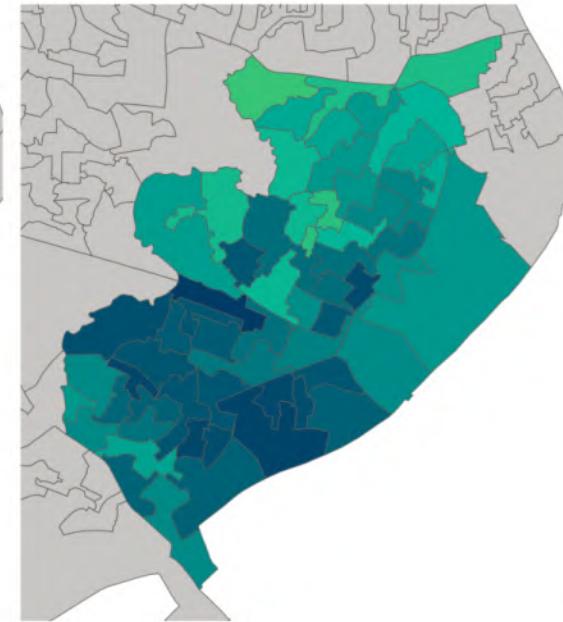
...in April 2022



2,568

32%

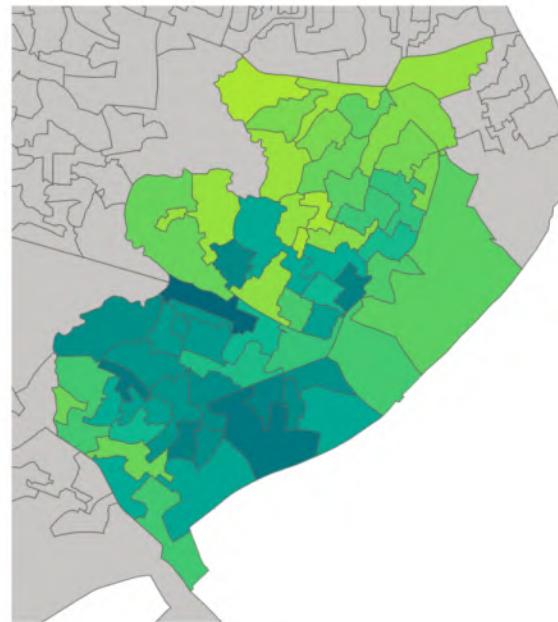
...by October 2022



5,669

71%

...by Oct 2022 with cap



3,643

46%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.



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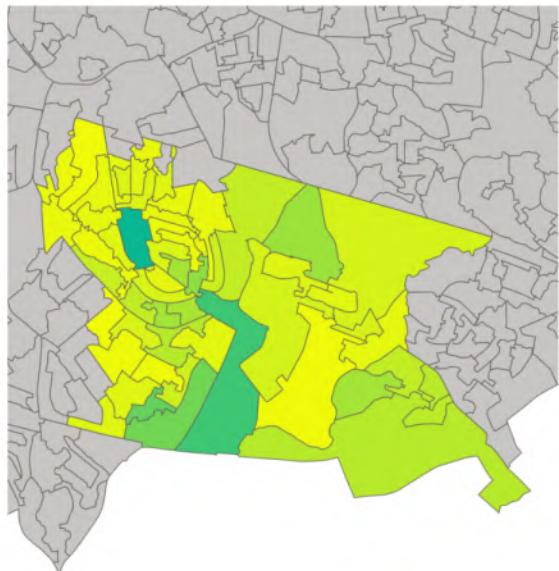
Households spe...



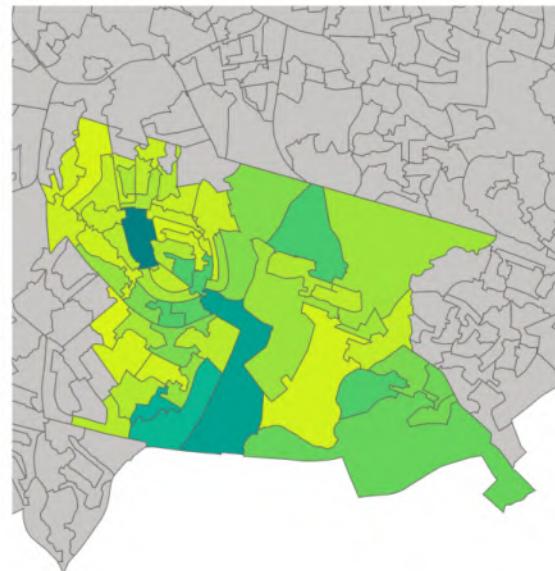
- + 118%

Households in Cheylesmore spending 10% of their income to stay warm

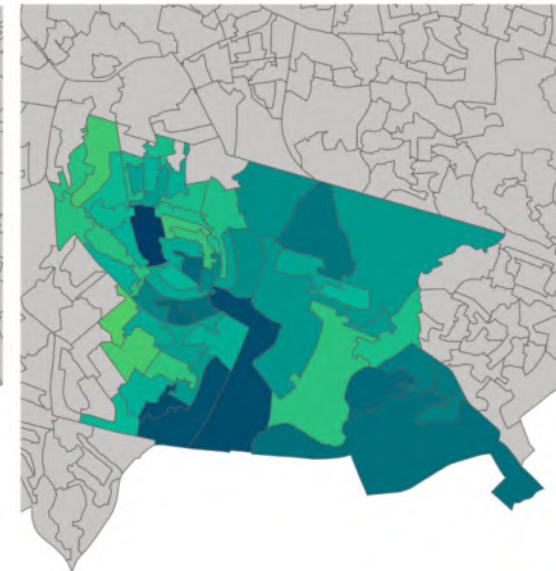
...in October 2021



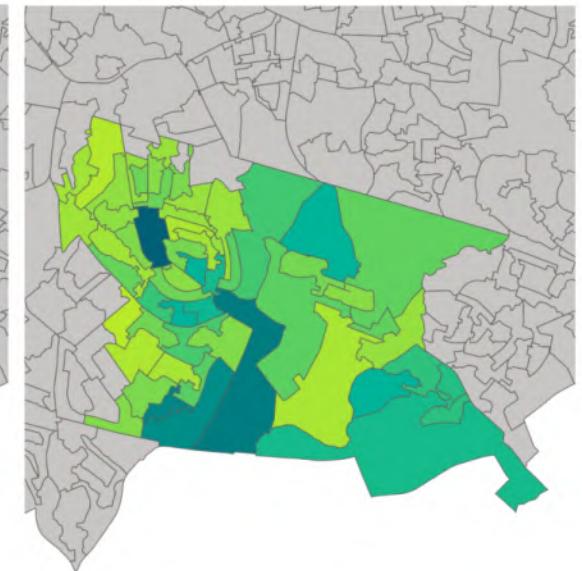
...in April 2022



...by October 2022



...by Oct 2022 with cap



875

11%

1,764

21%

4,835

58%

2,701

33%



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

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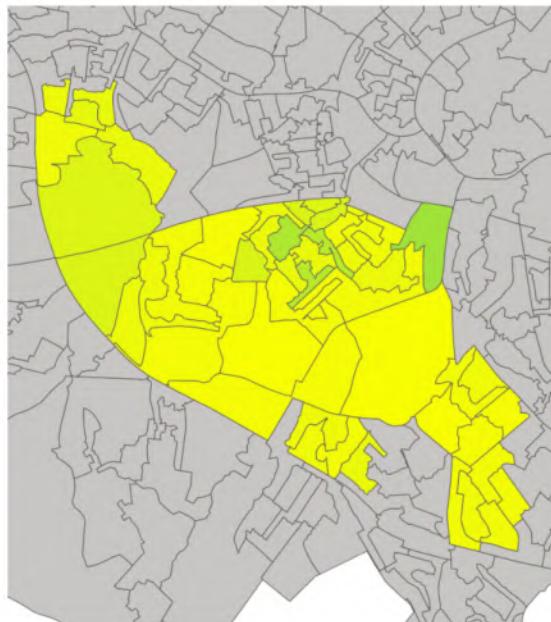
≡ Households spe...

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- + 118% ↖ ↘

Households in Earlsdon spending 10% of their income to stay warm

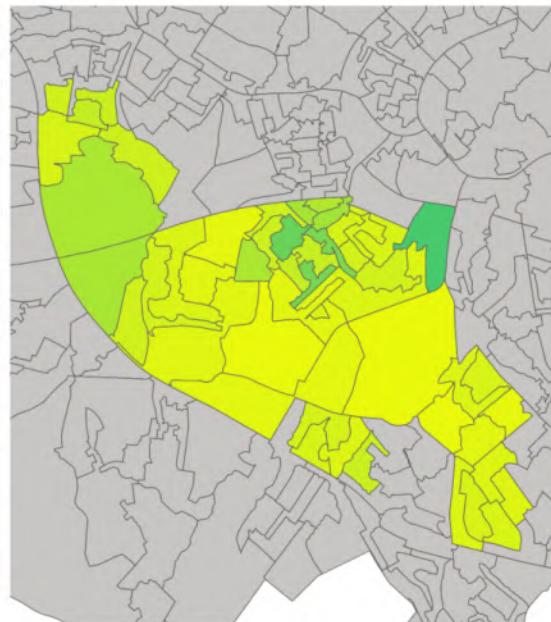
...in October 2021



304

5%

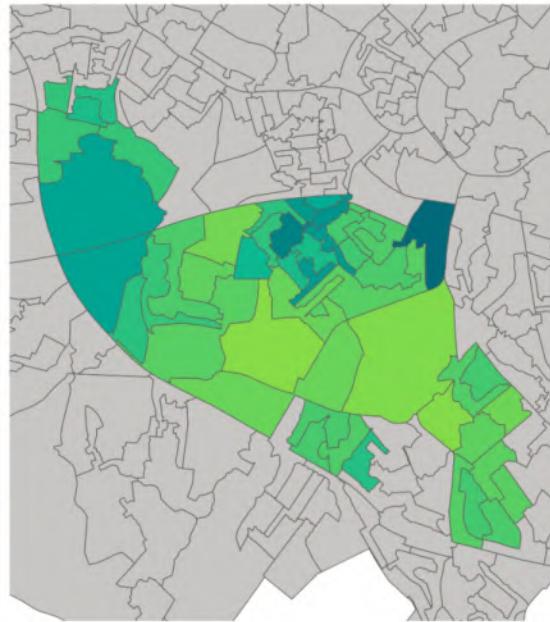
...in April 2022



709

11%

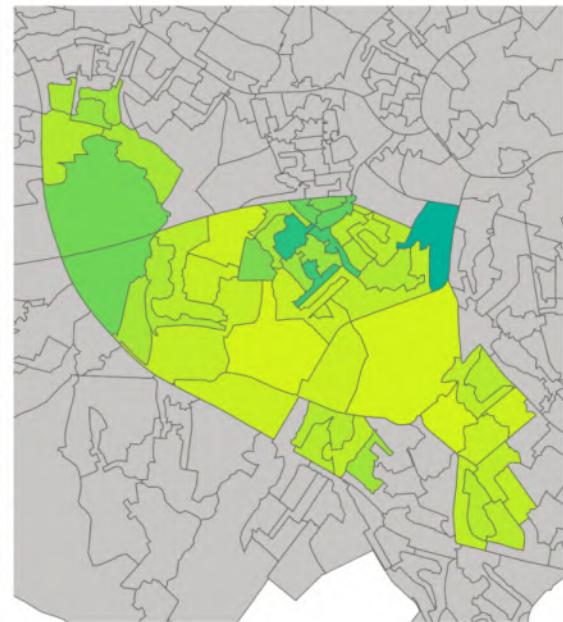
...by October 2022



2,623

41%

...by Oct 2022 with cap



1,208

19%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.



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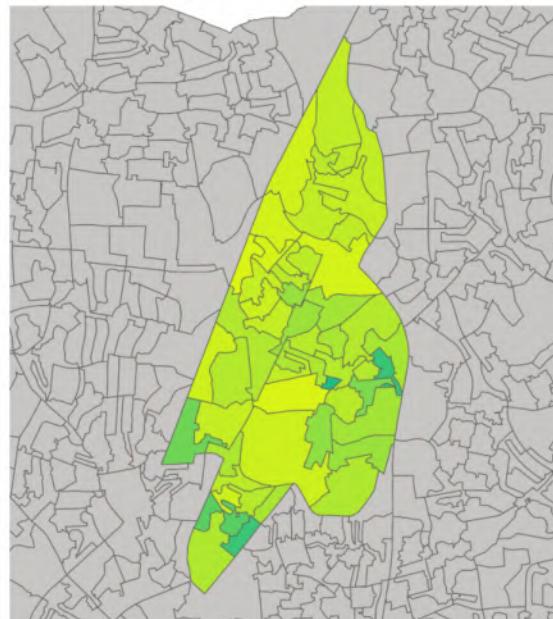
Households spe...



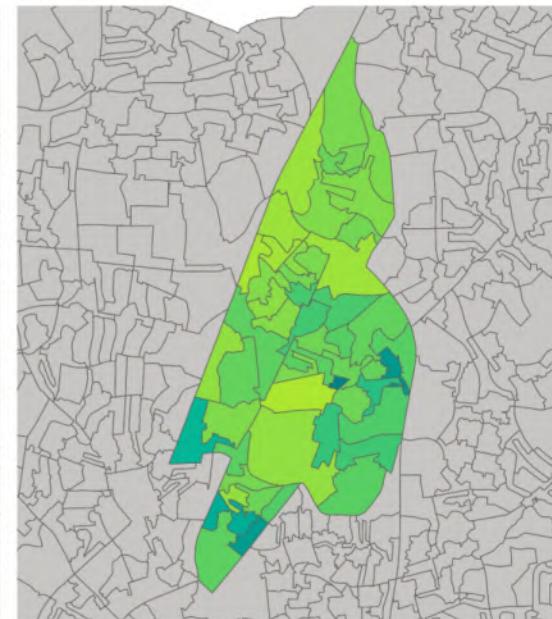
- + 118%

Households in Foleshill spending 10% of their income to stay warm

...in October 2021



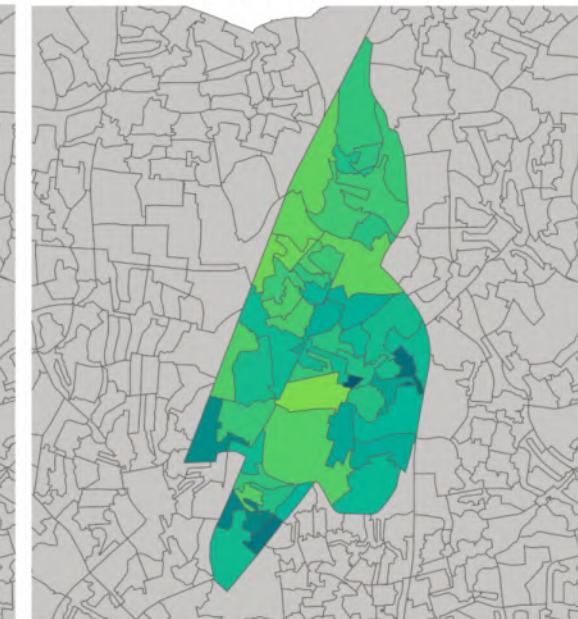
...in April 2022



...by October 2022



...by Oct 2022 with cap



1,300

16%

2,529

30%

6,022

72%

3,716

45%



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

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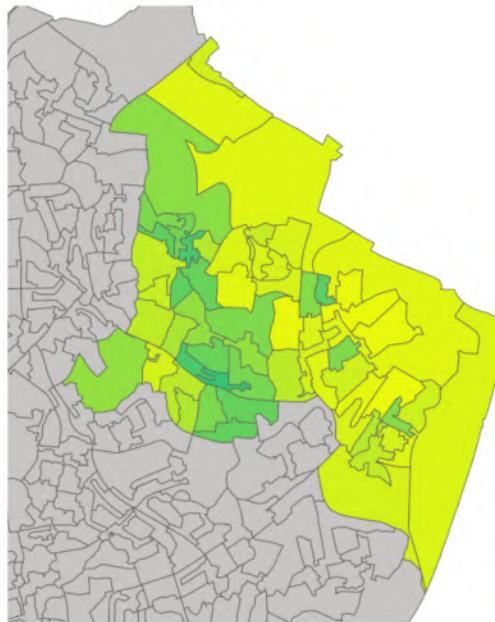
≡ Households spe...

< > ↗

- + 118% ↻

Households in Henley spending 10% of their income to stay warm

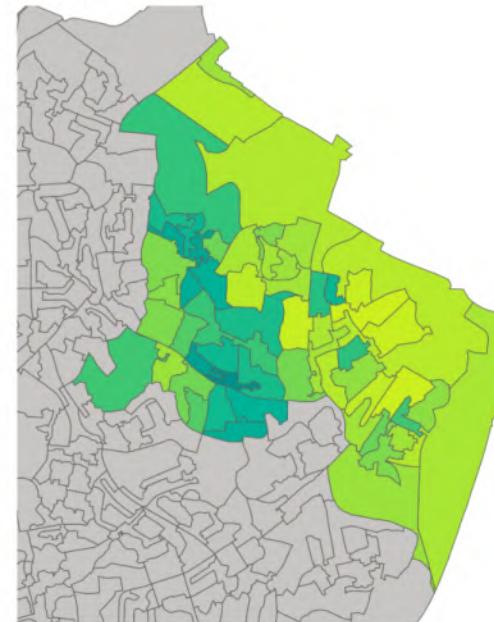
...in October 2021



1,394

16%

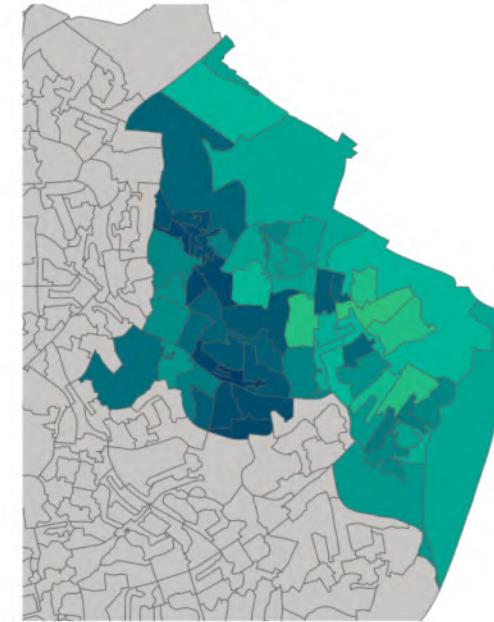
...in April 2022



2,622

30%

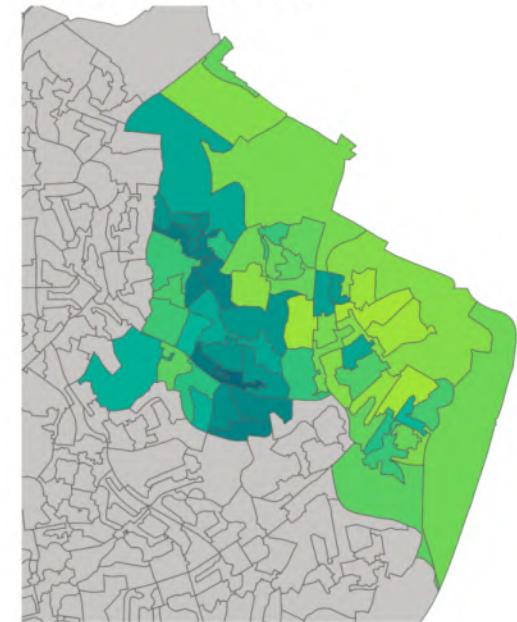
...by October 2022



6,081

69%

...by Oct 2022 with cap



3,786

43%

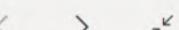
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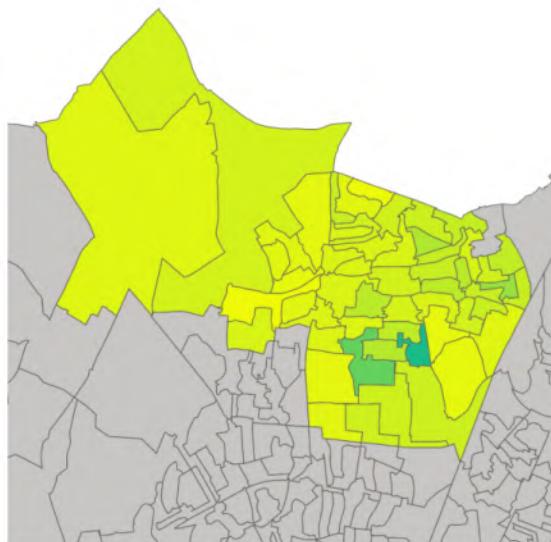
≡ Households spe...



- + 118%

Households in Holbrook spending 10% of their income to stay warm

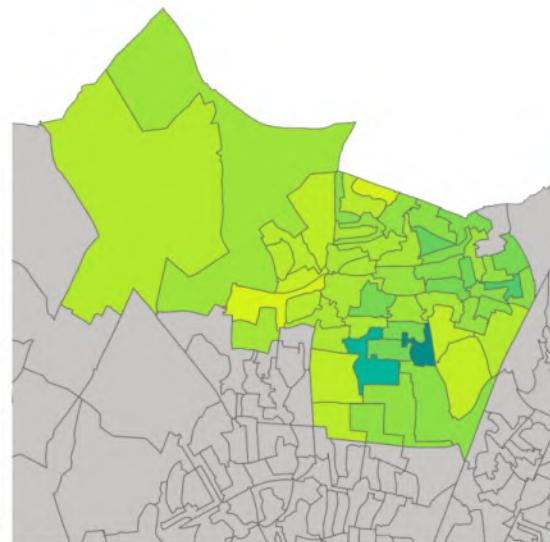
...in October 2021



727

9%

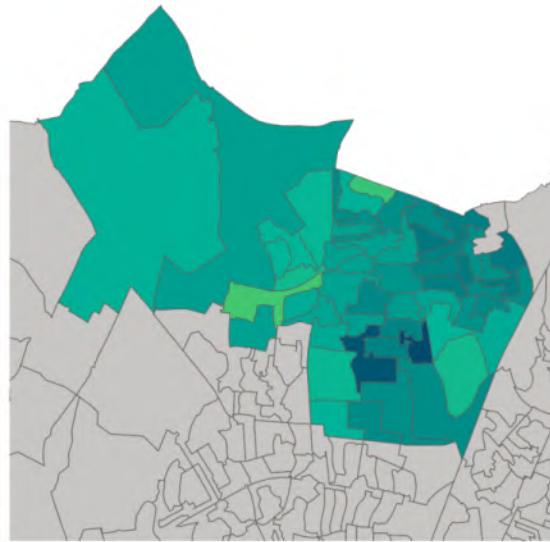
...in April 2022



1,551

20%

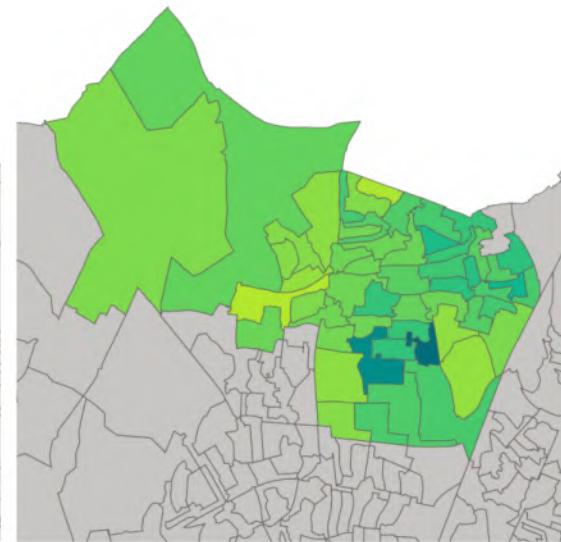
...by October 2022



4,585

60%

...by Oct 2022 with cap



2,462

32%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.



0% 50% 100%

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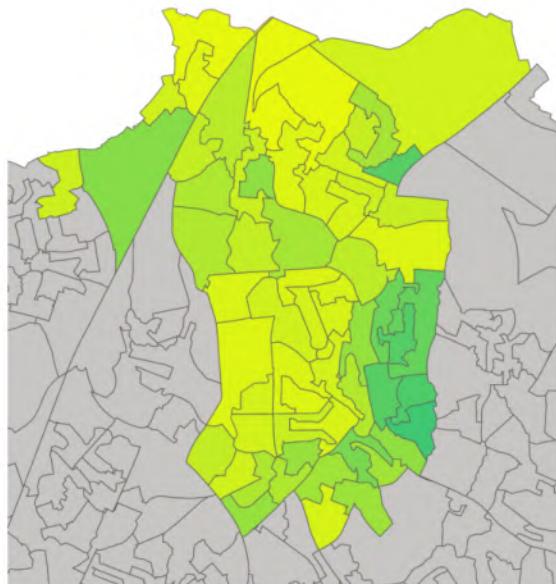
Households spe...



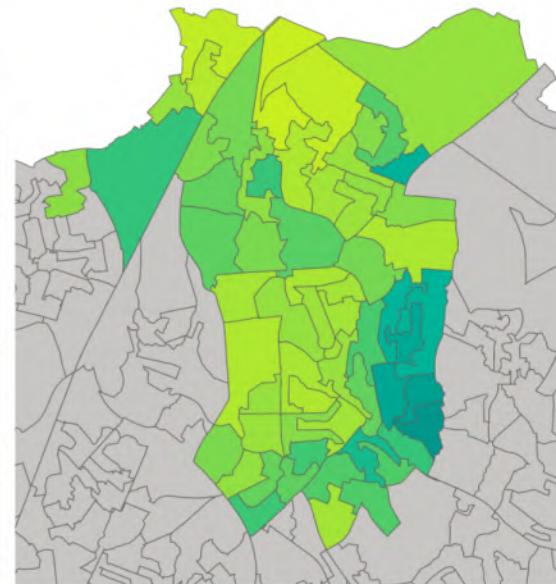
- + 118%

Households in Longford spending 10% of their income to stay warm

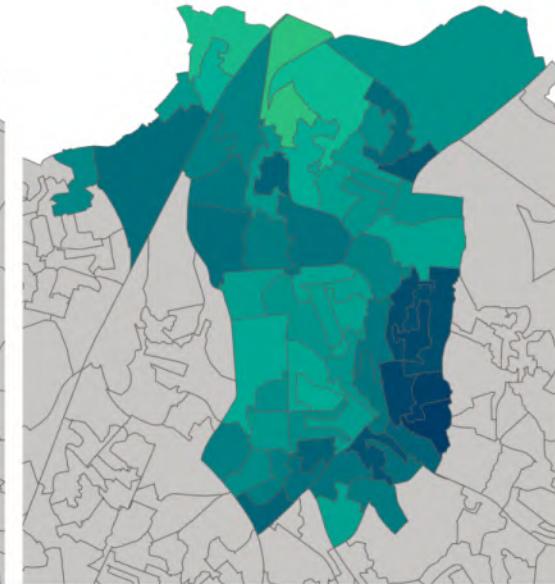
...in October 2021



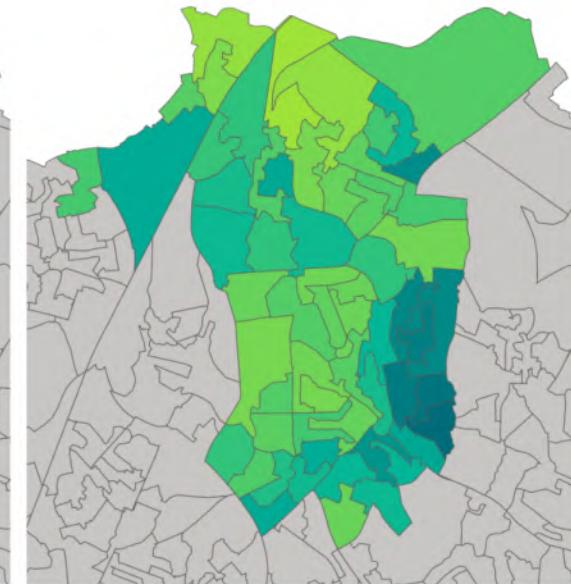
...in April 2022



...by October 2022



...by Oct 2022 with cap



1,261

15%

2,439

28%

5,879

69%

3,584

42%



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

0% 50% 100%

Go back

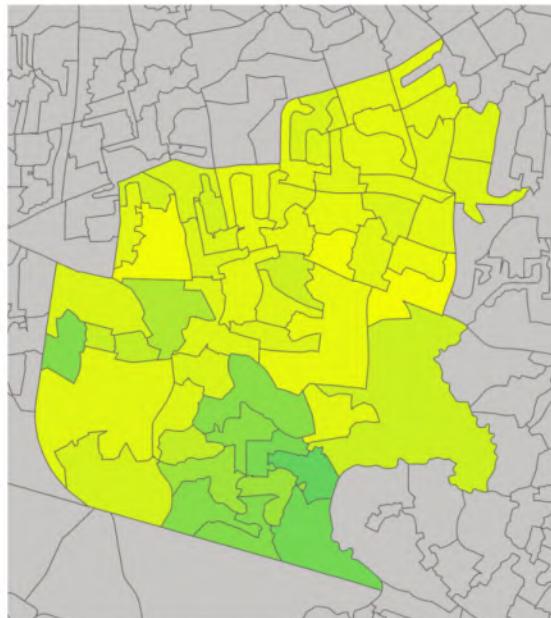
Households spe...



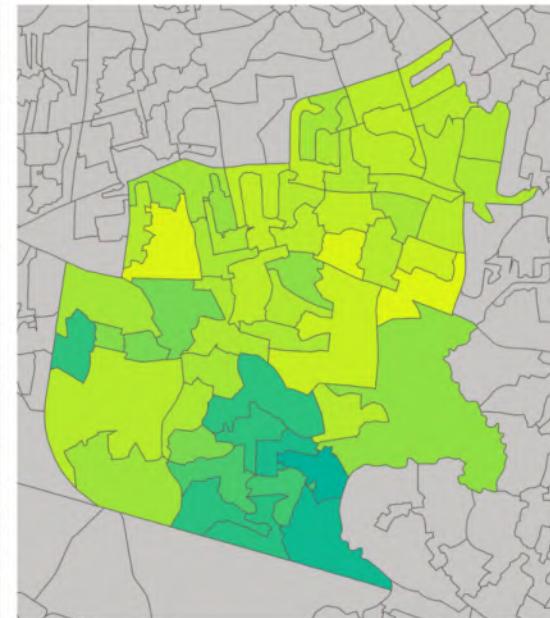
- + 118%

Households in Lower Stoke spending 10% of their income to stay warm

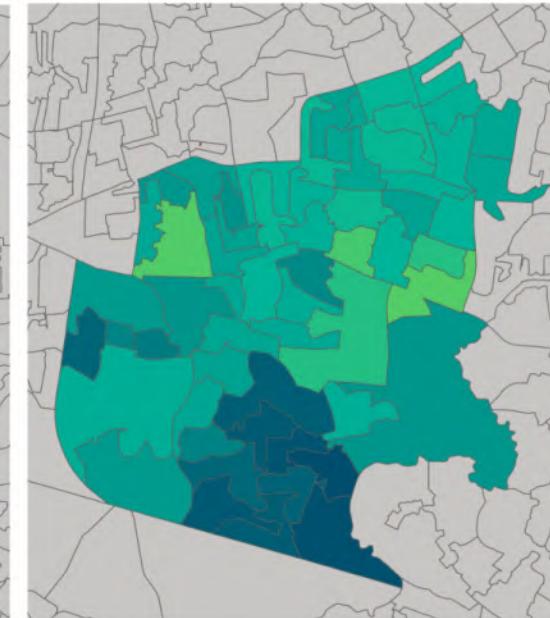
...in October 2021



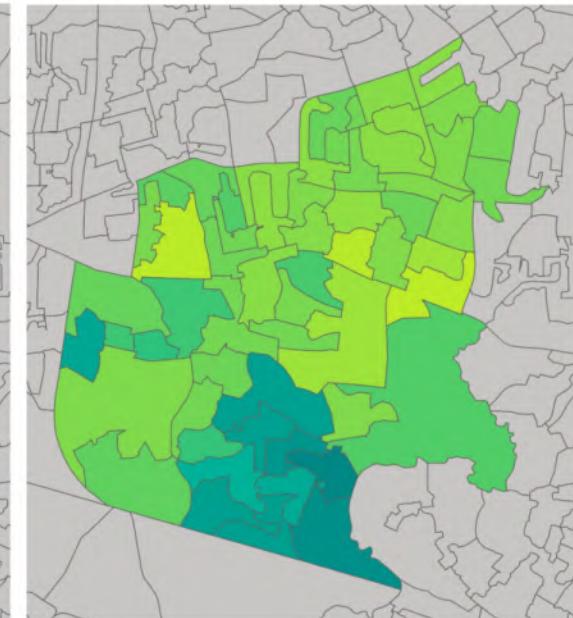
...in April 2022



...by October 2022



...by Oct 2022 with cap



932

9%

1,972

20%

5,764

58%

3,108

31%



0% 50% 100%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

Go back

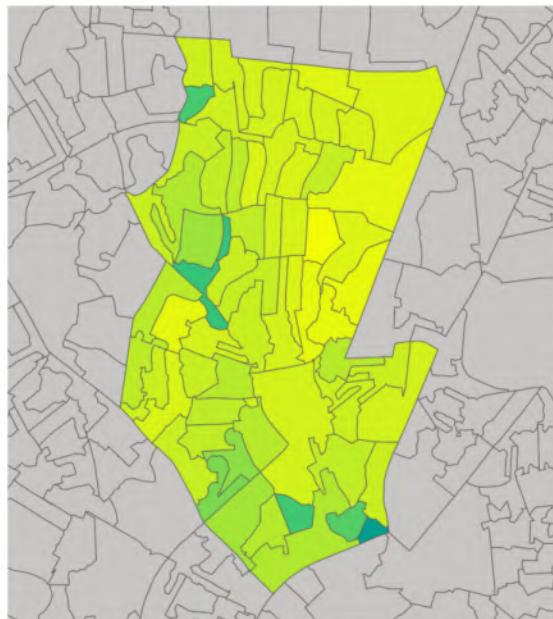
Households spe...



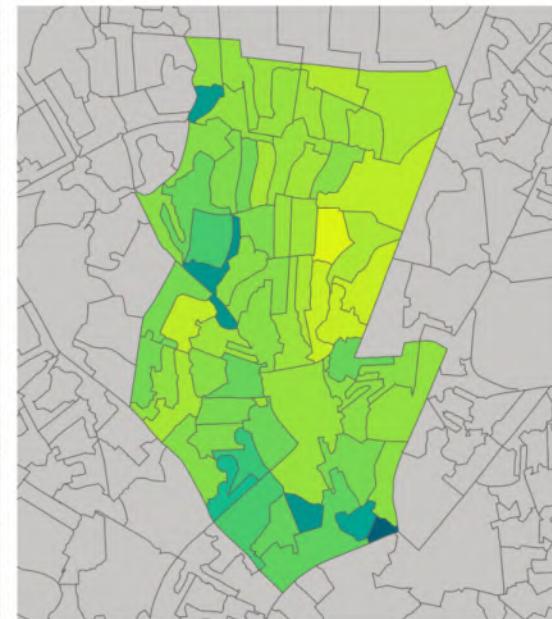
- + 118%

Households in Radford spending 10% of their income to stay warm

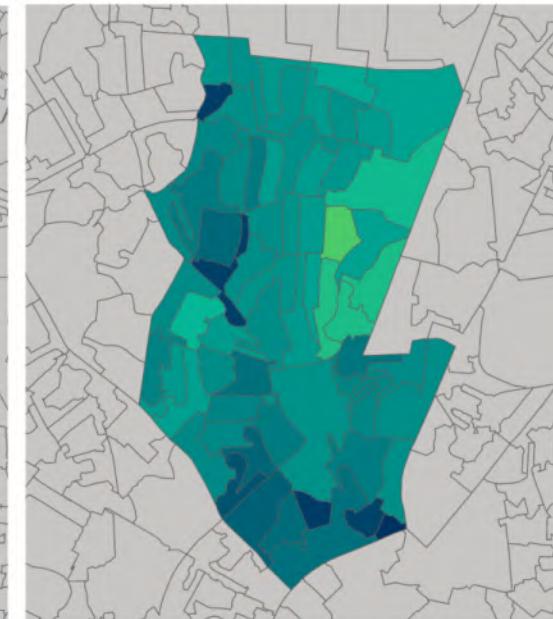
...in October 2021



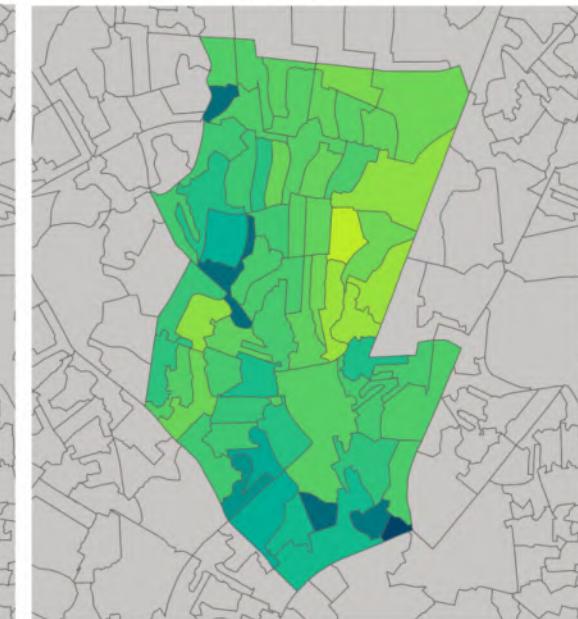
...in April 2022



...by October 2022



...by Oct 2022 with cap



1,250

13%

2,482

26%

6,328

66%

3,724

39%



0% 50% 100%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

← Go back

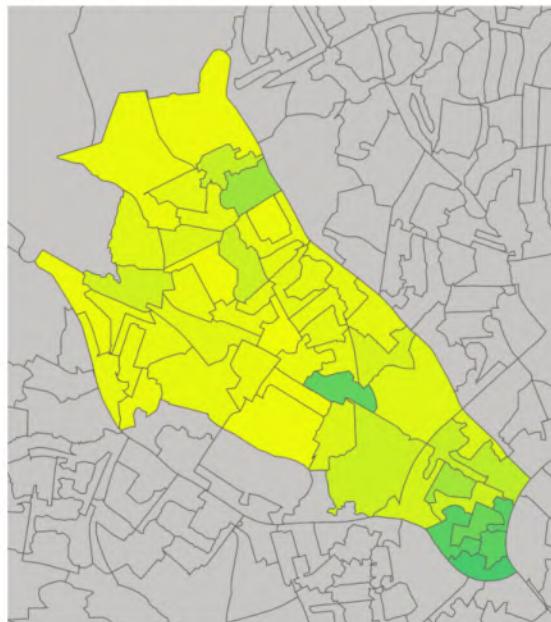
≡ Households spe...

< > ↗

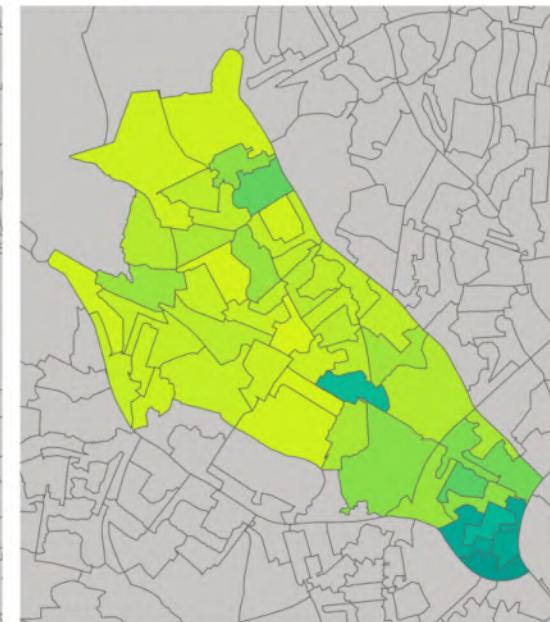
- + 118% ↕

Households in Sherbourne spending 10% of their income to stay warm

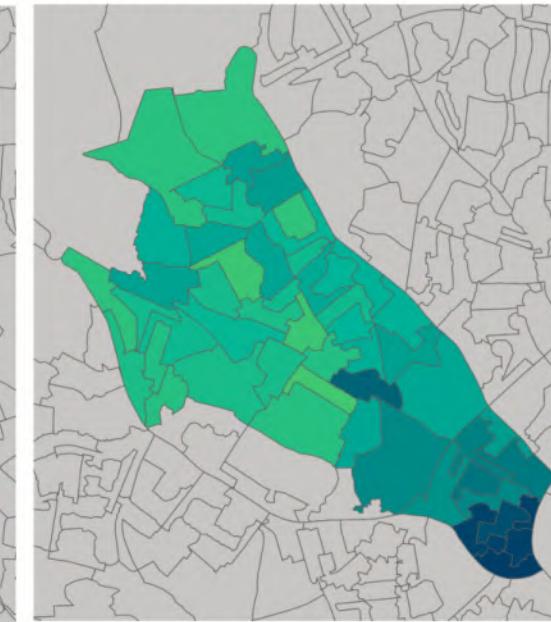
...in October 2021



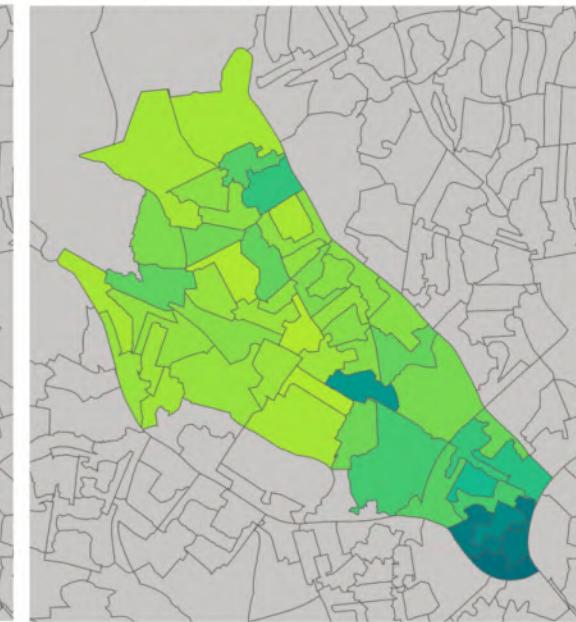
...in April 2022



...by October 2022



...by Oct 2022 with cap



789

11%

1,589

21%

4,335

58%

2,425

32%



0% 50% 100%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

← Go back

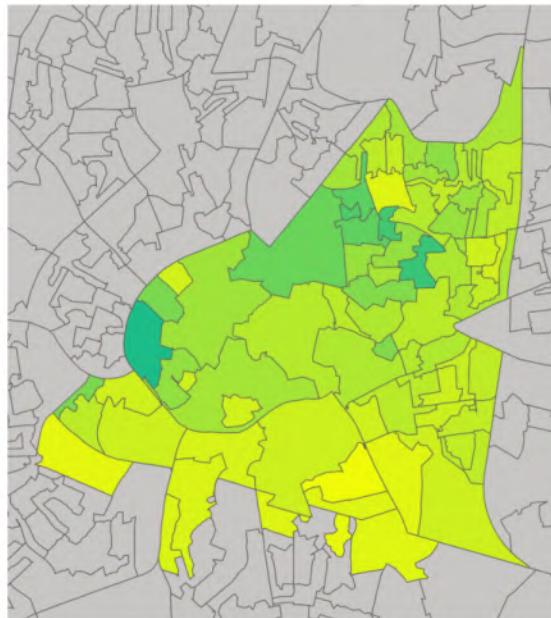
≡ Households spe...



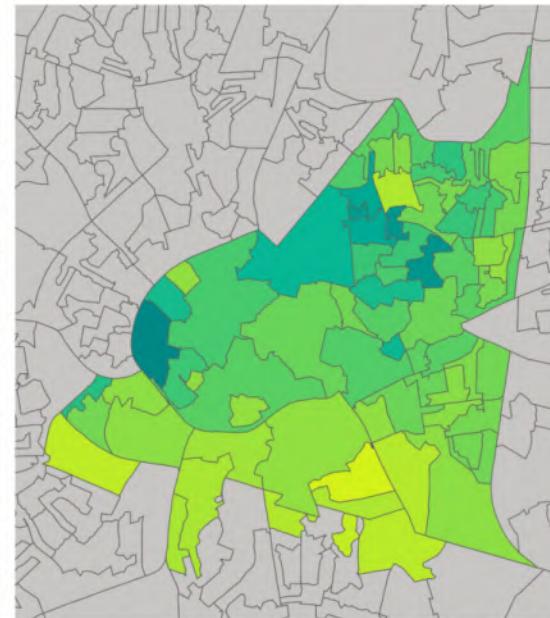
- + 118%

Households in St Michael's spending 10% of their income to stay warm

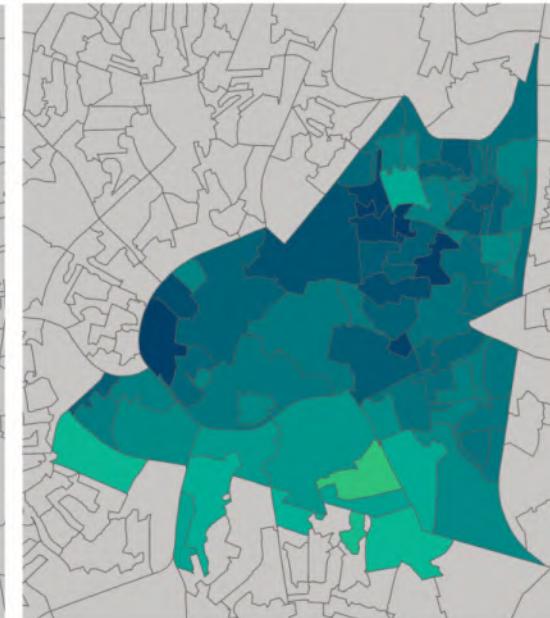
...in October 2021



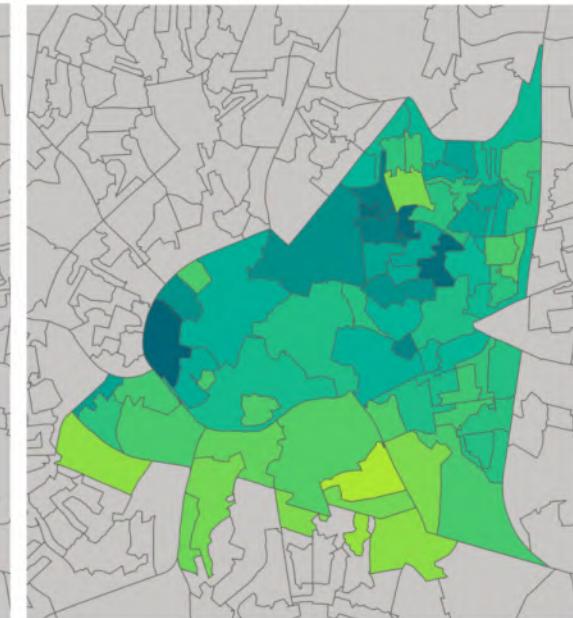
...in April 2022



...by October 2022



...by Oct 2022 with cap



2,323

16%

4,593

31%

10,968

74%

6,792

46%

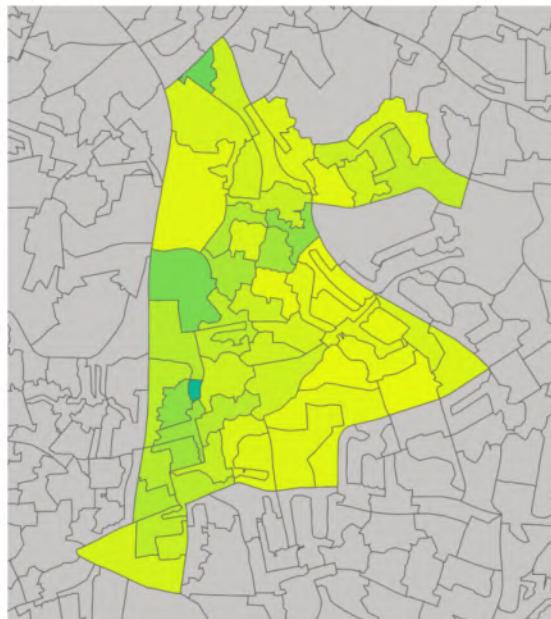


Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

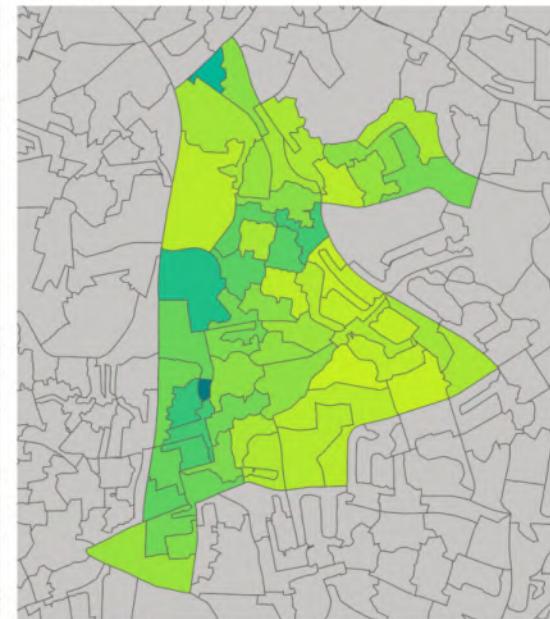
0% 50% 100%

Households in Upper Stoke spending 10% of their income to stay warm

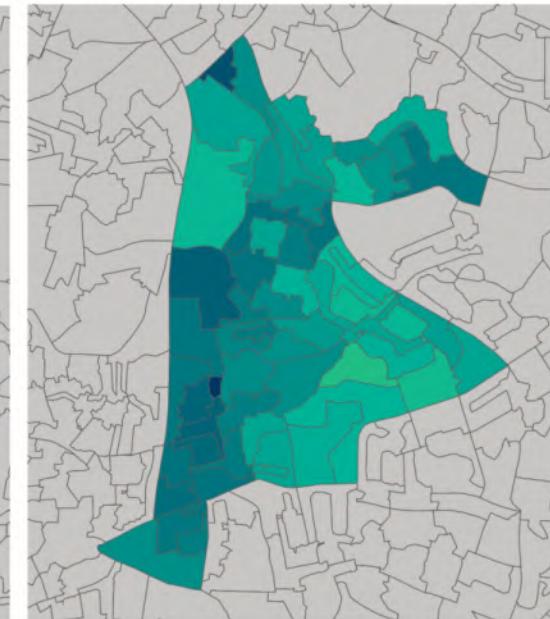
...in October 2021



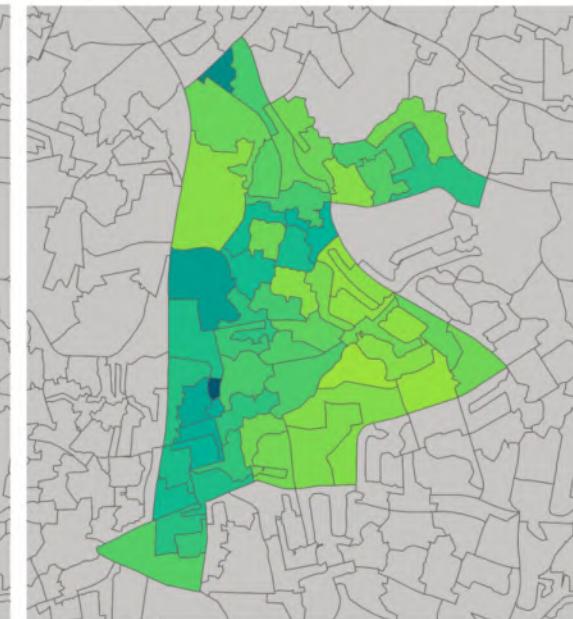
...in April 2022



...by October 2022



...by Oct 2022 with cap



1,016

12%

2,076

25%

5,525

65%

3,175

37%



0% 50% 100%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

← Go back

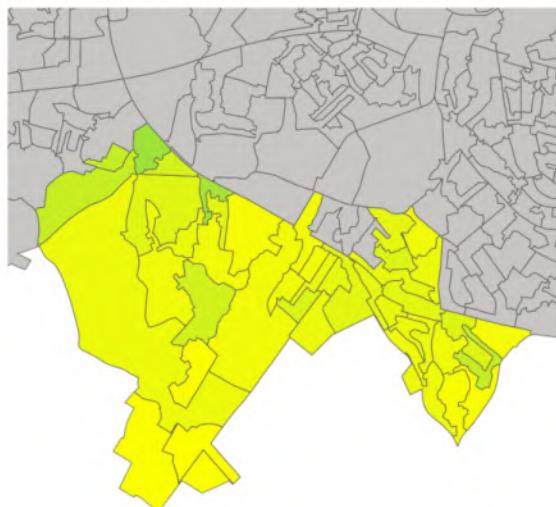
≡ Households spe...

< > ↗

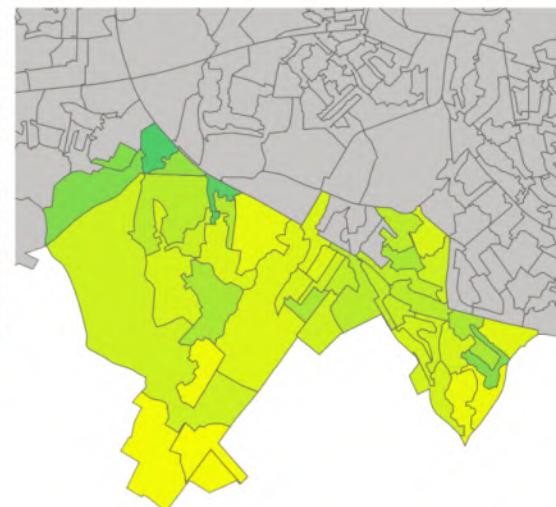
- + 118% ↻

Households in Wainbody spending 10% of their income to stay warm

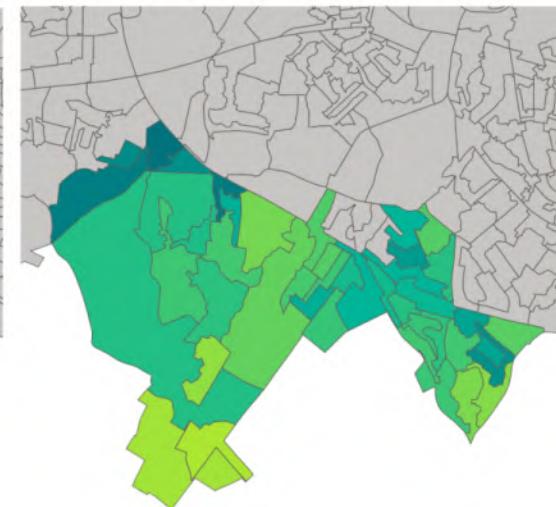
...in October 2021



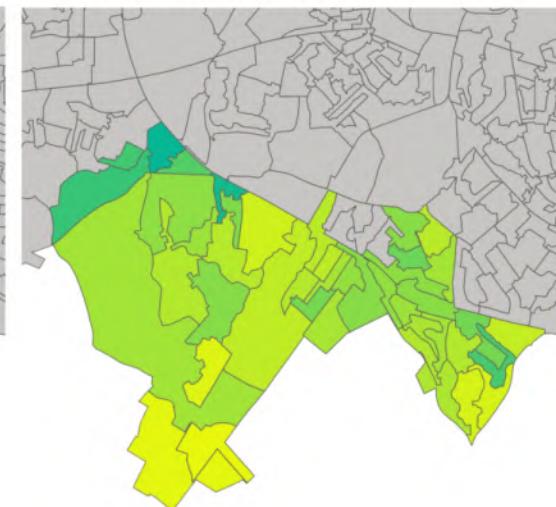
...in April 2022



...by October 2022



...by Oct 2022 with cap



261

5%

608

12%

2,201

44%

1,031

21%

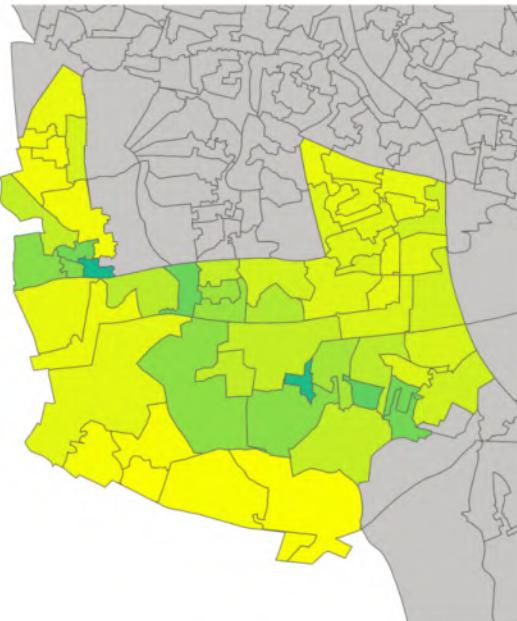


0% 50% 100%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

Households in Westwood spending 10% of their income to stay warm

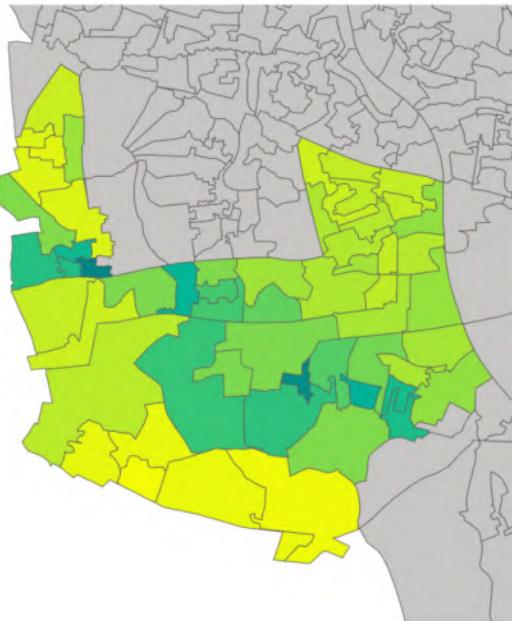
...in October 2021



980

11%

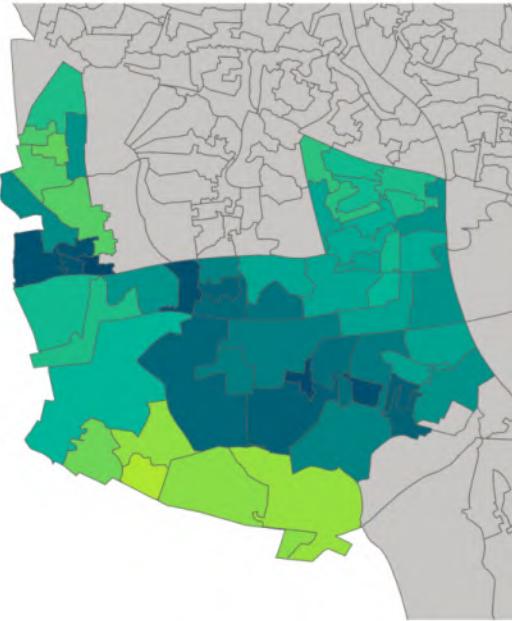
...in April 2022



1,938

22%

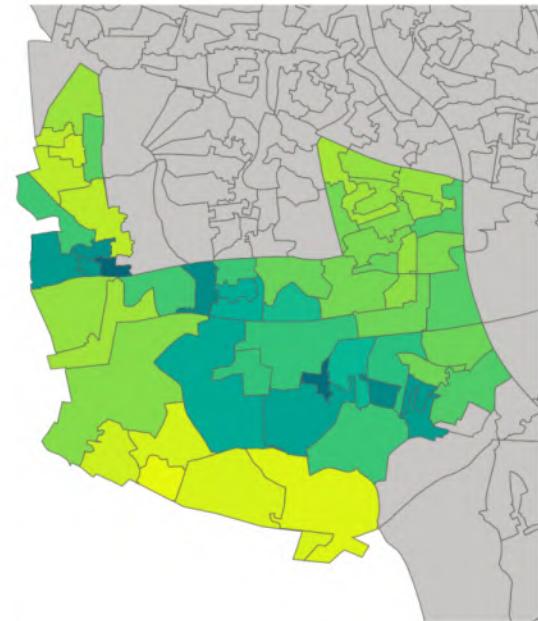
...by October 2022



5,114

59%

...by Oct 2022 with cap



2,923

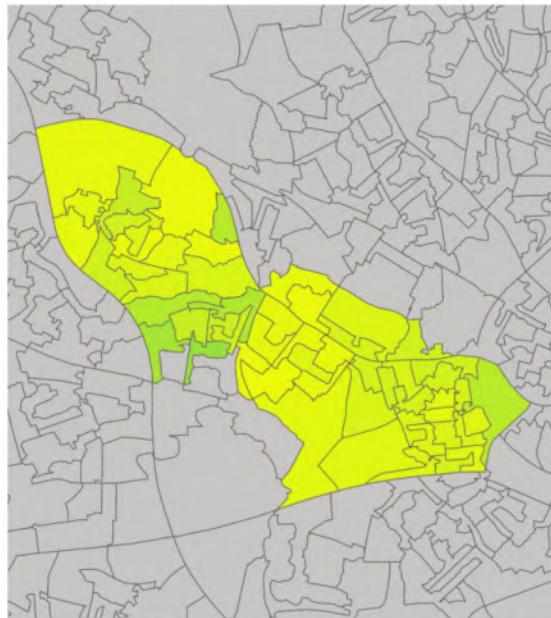
34%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

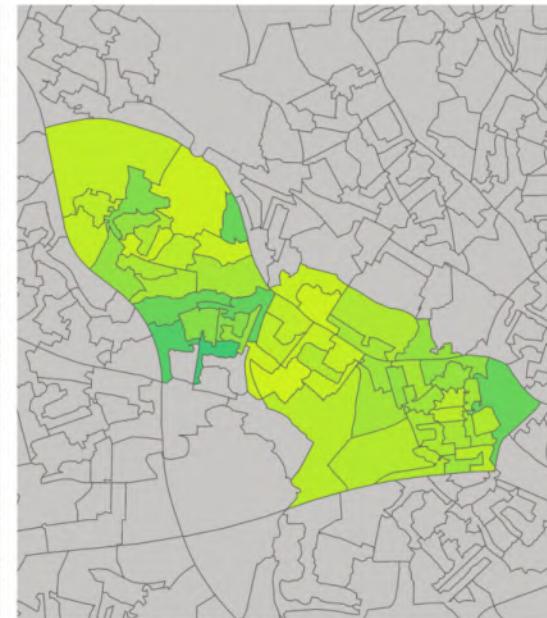


Households in Whoberley spending 10% of their income to stay warm

...in October 2021



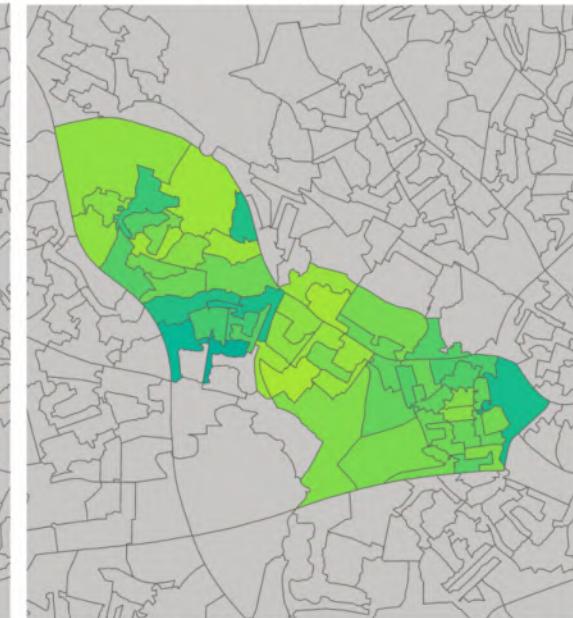
...in April 2022



...by October 2022



...by Oct 2022 with cap



641

8%

1,448

18%

4,540

58%

2,364

30%



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

0% 50% 100%

Go back

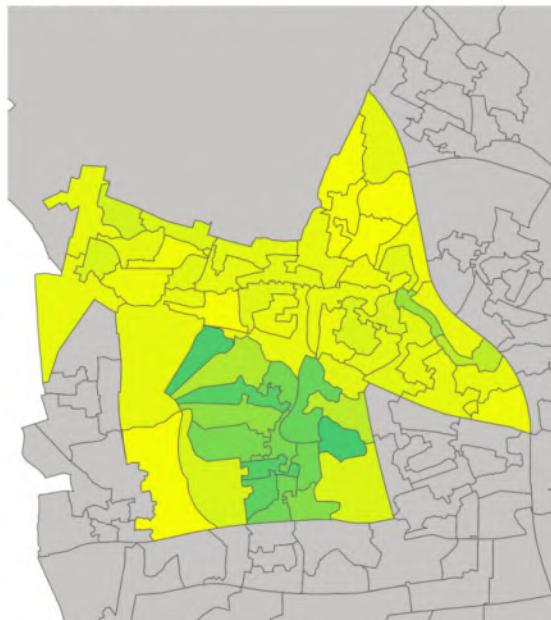
Households spe...



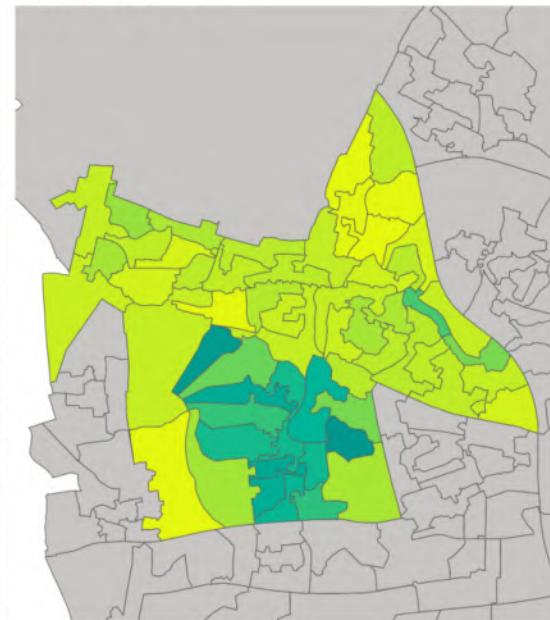
- + 118%

Households in Woodlands spending 10% of their income to stay warm

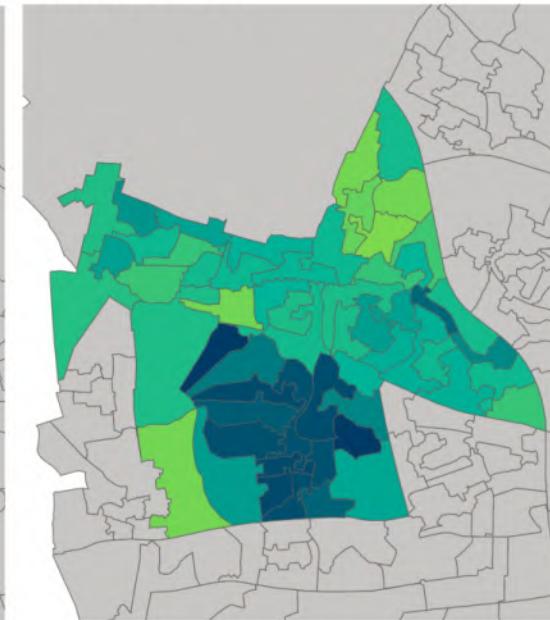
...in October 2021



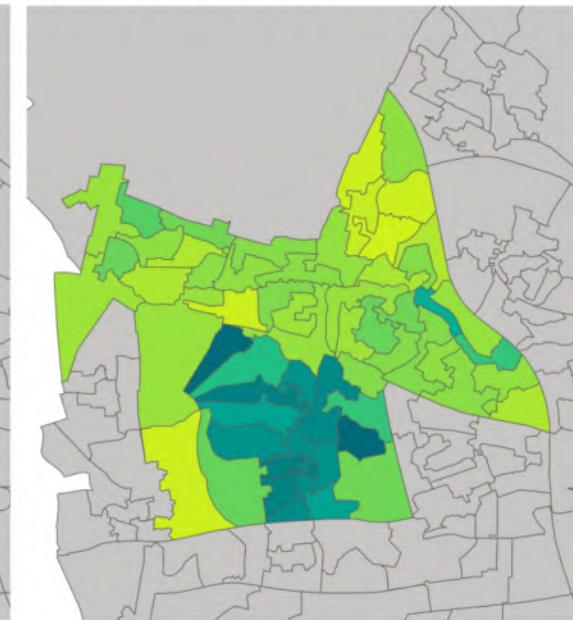
...in April 2022



...by October 2022



...by Oct 2022 with cap



918

11%

1,806

22%

4,677

58%

2,703

33%



Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.

0% 50% 100%

Go back

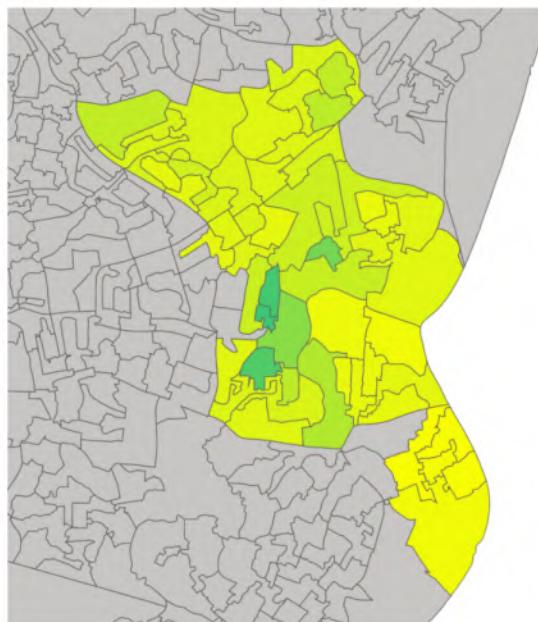
Households spe...



- + 118%

Households in Wyken spending 10% of their income to stay warm

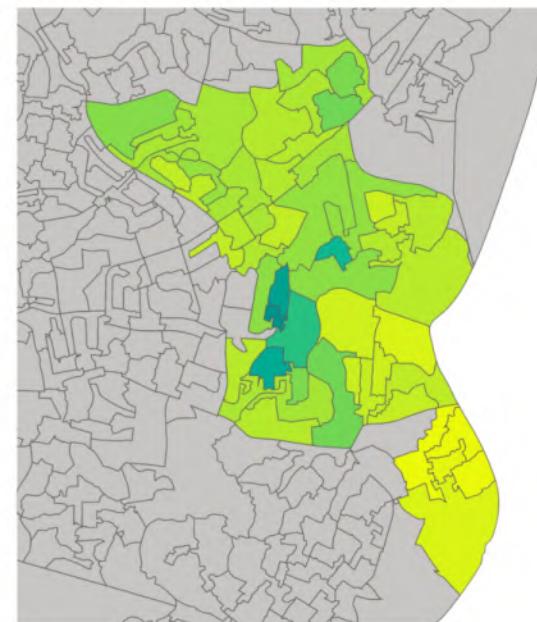
...in October 2021



740

10%

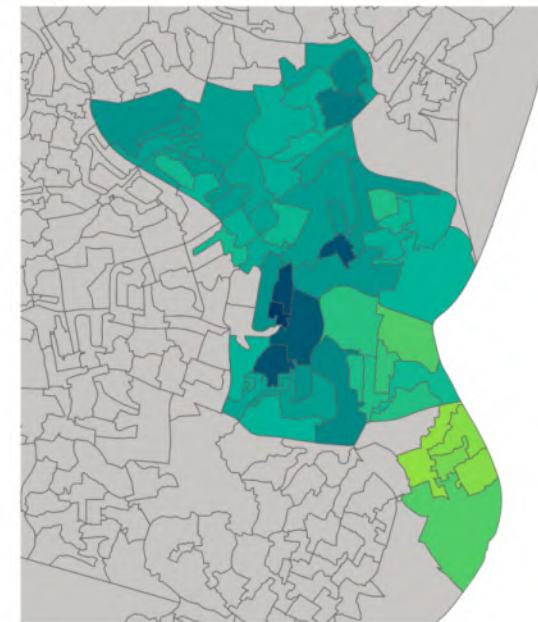
...in April 2022



1,503

20%

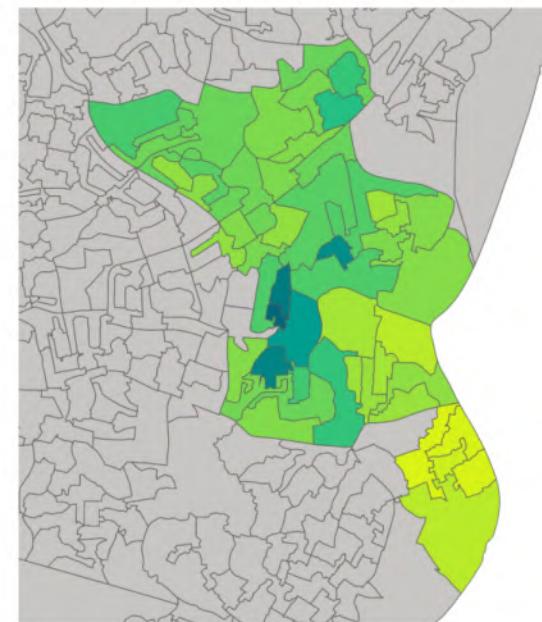
...by October 2022



4,205

56%

...by Oct 2022 with cap



2,315

31%

Data source: CACI Paycheck household income (2021); Ofgem 'price cap' standard variable rates 'typical use' in October 2021, April 2022, October 2022. Updated 26/08/2022 with final price cap figures for October 2022 and Cornwall Insight predictions as of 22/08/2022 for 2023. Updated 06/09/2022 with the new Prime Minister's proposed £2,500 cap.



0% 50% 100%

Go back

Households spe...



Further information

- More data visualisations, including data at postcode level, at <https://coventry-city-council.github.io/cost-of-living/>

