



# HOPELESS

WILL 2022 TIP LOW EARNERS IN  
THE COUNTRYSIDE OVER THE  
EDGE?

# The Squeeze

- Rural poverty is not worse than urban poverty BUT
- Rural wages 7.5% lower than in towns
- Costs of living higher – need to travel for basics – food, work, medical treatment, welfare including advice and even socialising

# Cost of Living Crisis 2022

- Month 1 inflation was 3.1% - now 8%
- By Month 3 - petrol risen by 12% and diesel by 9%
- Gas and Electricity rising steeply from April and likely again in October
- Council tax risen by 3.5%
- Inflationary spiral kicking off
- Average household losing £1946.80
- Rural household losing that plus £1152.45



- Cut household spend – choice between heating and eating; get second job; buy more economic transport; move to town – the rational response
- Default on debt – no fear of bankruptcy (nothing to take!)
- Acquisitive crime goes up?
- Loss to local economy – taxes, spending, social input

## **Impact on families and the economy**

# REMEDIES

- Review ONS definitions of poverty to reflect extra costs eg of transport
- Seek further increase in the National Minimum Wage
- Further improve the Universal Credit taper rate
- Align with the Joseph Rowntree Foundation recommendation of a Minimum Income Standard for the UK
- Consider mitigations for widespread default on low end rents and Council Tax



**citizens  
advice**

## Questions?

- Presentation by Nick Hubbard, Researcher, Citizens Advice Rural Issues Group
- Report 'Hopeless, a Study of Poverty in Rural Life' published April 2022
- Contact [cab@hubbards.me.uk](mailto:cab@hubbards.me.uk)