

citizens
advice

Doncaster
Borough

COST OF LIVING IMPACT REPORT

WINTER 2022/23



Produced with the support of



*'I have no idea how my family will
survive with the costs of things
going up'*

Doncaster resident

cadoncasterborough.org

Introduction

We are currently living in a cost of living crisis where record inflation has led to rising prices which have not been matched by income growth.

Citizens Advice Doncaster Borough launched its online Cost of Living survey in September 2022. This was in response to the growing concern nationally and locally about the increases in daily living costs for households and the concern that inflation and energy costs will continue to rise in 2022/2023.

This is important as the rising costs are forcing millions of people across the country to go without essentials and fall behind on bills or face damaging and long lasting impacts on financial resilience.

The research asked key questions about how worried people in Doncaster were about the increases and the impacts they were having and what changes they had already made or how they were planning to manage their individual circumstances.

It also looked at the type of support they had needed to access as a result and the effects on their health and well-being. The survey began in September and is continuing to run at present and to date we have had **425** responses.

How we reached people

The survey was available to people via multiple channels including;

- Citizens Advice Doncaster Borough website, Facebook and Twitter.
- Social media shares by other charities and organisations in Doncaster, and individuals.
- Directly to Citizens Advice clients via email sign-offs and completion of the form over the phone and in the offices for those without access to the internet.

We recognise that the survey has been made available almost completely online and that those classed as digitally excluded are only represented marginally. However, it does help us paint a picture of what effects the cost of living crisis is having on some of those who would not traditionally have been seen as our most vulnerable demographic.

Research key findings

74.6%

have needed to cut back on spending due to the rising cost of living



92%

Are worried about the cost of living and energy crisis



87%

Are cutting back on heating usage



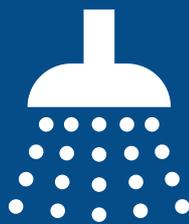
75%

are skipping meals or cutting back or eating less



45%

are regularly borrowing to cover essential costs



46%

Are showering or bathing less to save money



62%

have said the cost of living & energy crisis has negatively impacted mental health

What are we seeing?

The scale and size of the crisis is unlike anything we've seen and it's affecting people we haven't helped before.

In 2022, nationally we helped more than 200,000 people with crisis support (such as food bank referrals and emergency charitable support). This is nearly 50% (48%) higher than 2021 and more than double - or 109% higher than - the numbers we helped in 2020. Three quarters of people were helped for the first time and the number who are in employment more than doubled since 2020.

This has continued to get worse. In January 2023, we helped 3 people every minute with crisis support.

Nationally representative polling commissioned found that more than 3 million people on prepayment meters - one every 10 seconds - were cut off from their energy supply in the past year because they couldn't afford to top up. This often left people unable to turn the heating on, cook a meal or have a shower. Our own data shows that, in the last year, we helped more people in this situation than in the whole of the previous ten years combined.

National trends are reflected at a local level and in some cases the local issues are greater than national averages suggest.

The crisis has not affected everyone equally

In 2022, over half of the people we helped with crisis support were disabled or had a long-term health condition and nearly a third were single parents.

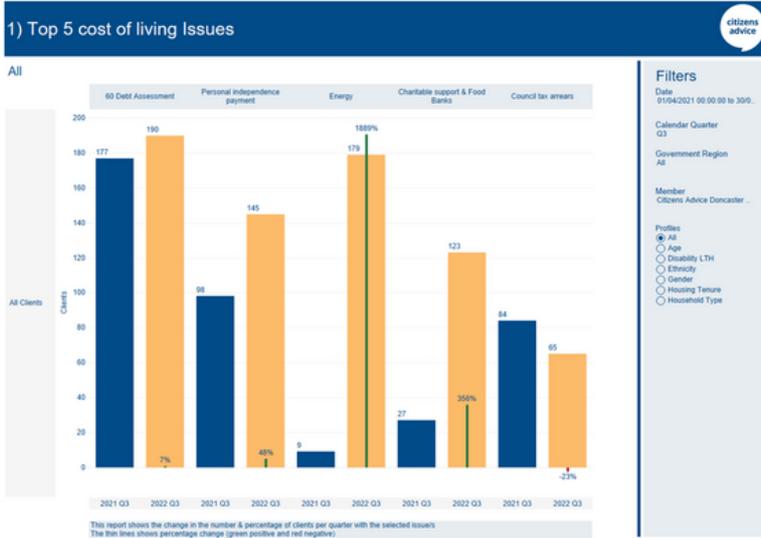
In 2022, we helped more Black or Black British people with food bank referrals (per 100,000 of their population) than any other ethnicity group.

Government support has helped - but it's not been enough

In October, we saw a decline in the number of people we saw who couldn't afford to top up their prepayment meter, coinciding with the start of the Energy Bill Support Scheme (EBSS). However, the effect appears to have been temporary. In December, we saw another record-breaking month and levels stayed high in January.

Local Cost of Living Data

The data collected in our research is also reflected in our cost of living dashboard, this data provides insight into the issues people are facing.



356% increase in clients needing charitable support or food banks

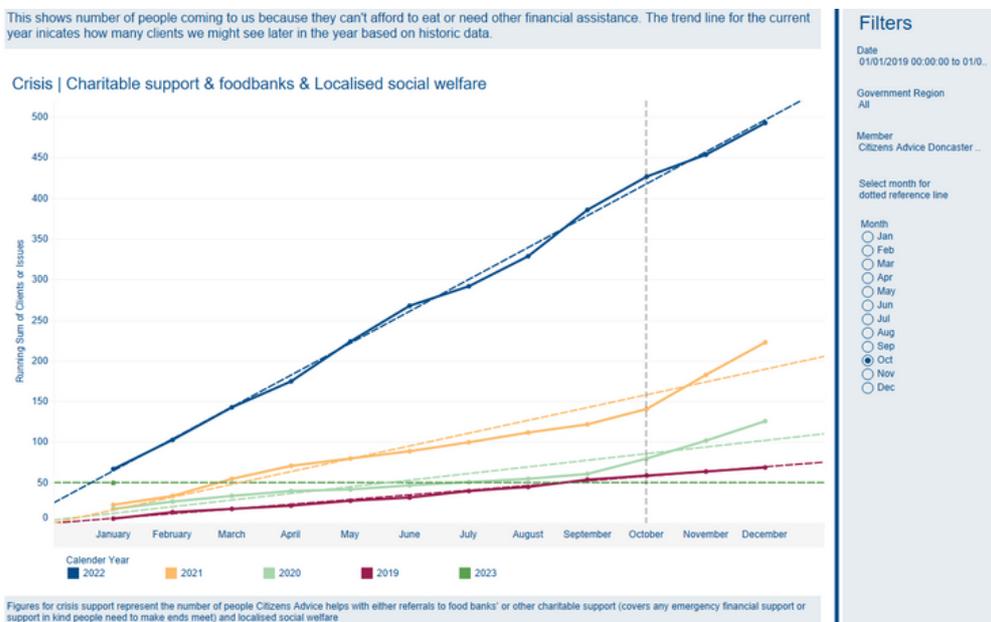
48% increase in clients needing advice or support with personal independence payment issues



583 fuel vouchers issues in 2022/23 to date

These are clients with no means of heating their homes or cooking food without our assistance

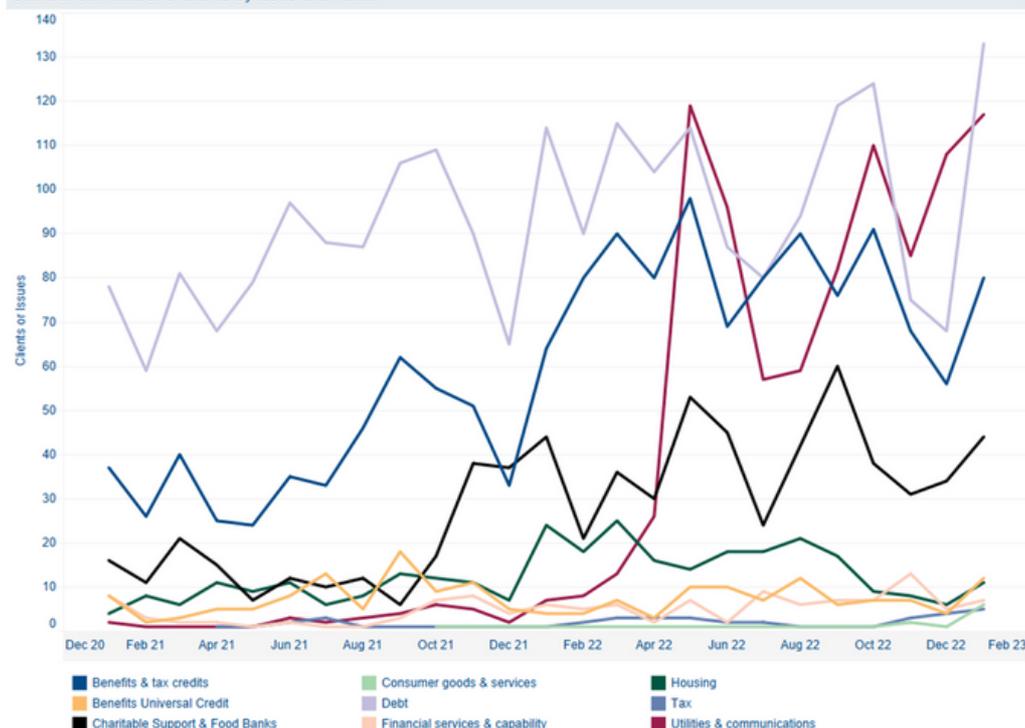
It now costs **£40 per week** more to keep warm on average



Figures for crisis support represent the number of people Citizens Advice helps with either referrals to food banks or other charitable support (covers any emergency financial support or support in kind people need to make ends meet) and localised social welfare

7) CoL P1 Graph

Selected CoL P2 issues (not all P1 codes)
Count of the number of clients by issue and month



Filters

Date
01/01/2021 00:00:00 to 31/0...

Government Region
All

Member
Citizens Advice Doncaster ...

Local Authority
Doncaster

Funder
All

Issues (part 1)

- Benefits & tax credits
- Benefits Universal Credit
- Charitable Support & Food ...
- Consumer goods & services
- Debt
- Financial services & capabil...
- Housing
- Tax
- Utilities & communications

Click a label to highlight
the trend

The dashboard data presents a worrying outlook for Doncaster, with households facing constant tough spending decisions day in and day out about whether to pay bills, eat or use gas and electricity. The never-ending cycle of struggling to afford the basic necessities.

This data reflects national trends which show poverty is on the rise. Whilst many of the main drivers to tackle poverty lie with central government, we believe action at a local level is more important than ever.

We come from the view point that this should not be the day to day reality for households across Doncaster.

The next section of the report looks at areas about which we are particularly concerned.

Debt and Money Worries

Our research and data offer a powerful snapshot of how rising costs and inflation are a huge concern for residents across the city of Doncaster.

This year we have seen a continuous rise in people who simply don't have enough money to live on and pay all of their bills. This is particularly worrying as these low-income households have taken on additional, short-term debt to pay these bills. They will need to repay this high-cost borrowing over the coming months and years as this often traps households in a 'vicious cycle' of accumulating debts to cover living costs. The concern is that households may turn to informal lenders, high-interest providers or loan sharks to bridge the gap.

We have also seen an increase in the number of people looking at insolvency as a means of dealing with their debts.

We recognise there is a 'poverty premium' which exists where those on low incomes pay a disproportionate, higher price for goods and services and this often leaves households little choice but to accumulate debt.

£10.7 Million

DEBT HANDLED

up £2.5 Million on 2021/22 figures

428

**BREATHING SPACE
APPLICATIONS**

191

DEBT RELIEF ORDERS

higher than the National Average

*"I am very
scared that I
am going to
lose
everything."*



Energy

In the context of the cost of living crisis, with energy prices doubling between October 2021 and October 2022 and further increases expected in April 2023, even with the mitigations the Government introduced we are seeing a dramatic influx in clients contacting us for support with energy bills.

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

We know that these types of cost of living rises always hit lower income families and people on fixed incomes harder and the reports suggest people are trying to minimise increasing household and utility costs, many comments suggested people had changed their daily routines. This included switching off all electrical appliances at the switch, batch-cooking meals, and washing less but many are still struggling to afford energy costs and are left making difficult decisions.

643

FUEL VOUCHERS ISSUED

since setting this up in April 2022. We are currently issuing on average 76 vouchers a month.

949

ENERGY CLIENTS

2513

ENERGY ISSUES

"The stress and worry of paying bills on a limited income. Feel a failure for not being able to help family."



Health and Wellbeing

The relationship between health, income and deprivation is long established. Poorer health generally reduces the possibility of better life outcomes and opportunities. It can restrict employment prospects, reduce earnings and lead to increased living costs associated with long-term illness and disability.

The day to day decisions and life choices of those impacted most severely by the cost of living will have a significant impact on stress levels and overall health and well-being.

Our research points highlight feelings of worry or dread about further price hikes and a fear that tough decisions would need to be made by households in order to make ends meet. The scarcity mindset suggests financial difficulty reduces our "mental bandwidth" and distorts our ability to make decisions."

This is reflective of national research the faculty of Public health, mental health foundation 2016 stated " People with mental health problems can fall into a 'spiral of adversity' where unemployment, income and relationships are affected by their mental health experiences, creating a poverty and poor mental health trap"

This has a significant impact on service provision at a local level with an increase in cases where safeguarding concerns are identified, the impact this has on our workforce and the increases challenges it places on local service from both a demand and cost perspective.

It's important we look to address issues that impact health & well-being and promote services that facilitate resilience and reduce stress.



To look to facilitate positive outcomes in this area we have mental health first aid staff within the organisation, we have a mental health champion, we offer training and support to staff.

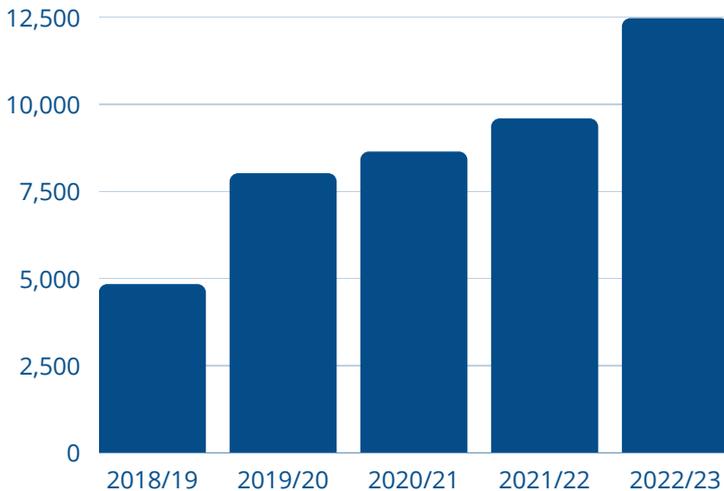
We have developed a strong working relationship with Doncaster Mind, to improve our response and the client journey when supporting people with mental health conditions

My mental health is suffering, I hardly sleep with worrying daily about the cost of everything, I have no hope for the future and am just struggling to survive day by day.

How we're responding

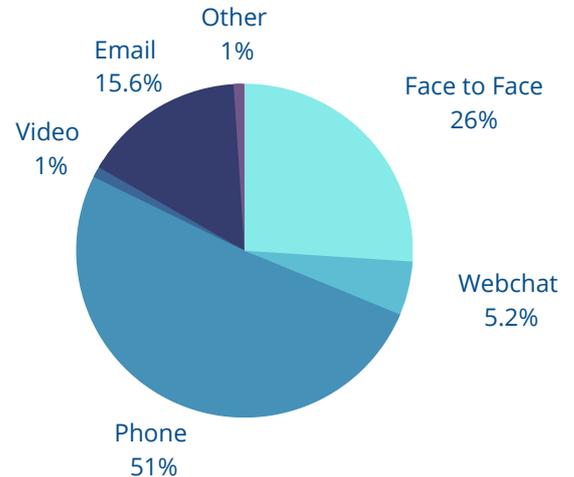
YEAR ON YEAR INCREASES IN DEMAND

Bar chart outlining the yearly increases in demand for our services.



CLIENT CONTACT CHANNEL

Pie chart featuring our channel options to clients



£10.7 MILLION

In debt handled in
2022/23



12,467

Client contacts in
2022/23



37,787

Separate issues dealt
with in 2022/23

Increase in clients
contacting us for welfare
rights advice

67%

Increase in clients
contacting us for Energy
and Utility related
problems

136%

Number of clients
contacting us for debt
advice

45%

**Almost £1.0 million
financial gains**

Financial gains for
clients in 2021/22

125%

Increase in clients
suffering crisis issues
this year in comparison
with last year.

Increase in clients
using the service since
2020/21

43%

Case Studies

Robbie, 56, was in arrears with Council Tax and other debts after a relationship breakdown. He had over £15,000 in credit debts and was in arrears of £2,000 with his Council Tax who had instructed an enforcement agent to collect the outstanding balance.

Citizens Advice supported him to access specialist debt advice, they undertook a benefits check to ensure he was receiving the benefits he was entitled to. We supported him with food and fuel vouchers and budgeting advice until his Debt Relief Order was approved.

Robbie is now debt free and receiving the appropriate benefits, he is now up to date with all his essential bills and is able to sleep at night.



“I don't sleep at night worrying about my debts, I am scared to open the front door in case it's a bailiff coming to take my belongings”



“I wouldn't have resolved this problem without you, you've been fantastic”

Client is a married pensioner living with her partner. Suffering from physical health conditions. She has an issue with EON. Direct debits were set up several months prior but not taken so had accrued gas and electricity arrears.

We assisted her with a letter of complaint to the energy provider. We informed her how to escalate this after 8 weeks and referred her to the ombudsman service. We assisted her to be placed on the gas priority services register.

She received a written apology and a good will payment of £100 with the arrears recovered at a minimal affordable amount.

She stated without CA she would not have got a positive outcome.

Case Studies

Elsie is a 65 year old female suffering from osteoarthritis, living with her husband in a mortgaged property, her employment ended due to her disabilities. The couple had a full benefit check. The client was made aware she could apply for NSESA, her husband works but has health conditions himself, so could look at disability benefits. Carer's Allowance and the criteria for claiming were discussed.

The client wanted help completing an SSCS1 Appeal form, as a PIP MR was declined.

A submission was lodged. The client appeal was successful and client was awarded standard rate Daily Living £61.85 pw and mobility £24.45 pw.

£86.35 pw. Back dated 76 weeks and 1 day, £6574.93.

The client's income has been maximised by **£4490.20** per year for the length of the award.



"I was very worried before I spoke to Citizens Advice and was making myself ill with stress but after talking to them and receiving help I was much more relaxed."



"I feel like a weight has been lifted, I don't feel so alone, I know if I have a problem they can help me out"

Client wanted to do a benefit check and see if they could claim universal credit. Client's wife of many years suffered a severe mental health breakdown and separated from him. The client suffers from multiple mental and physical health conditions including anxiety. Client needed help and he struggles with the telephone. The client was digitally excluded.

He feels isolated with PIP his only income. It was a three way call with our advisor and the DWP universal credit team.

The claim was for a single person over 25 so monthly £334.91 and as the client stated he was unfit for work our advisor suggested he submit a fit note and look into being assessed for limited capability for work and work related activity. Which if LCW&WRA awarded would be an extra £354.28 monthly. Therefore his income for the year may be £8,270.28 He would also get full local housing allowance and local council tax support. The client felt that his issues were dealt with and this reduced his severe anxiety.

The wider impact of our advice

We know giving people advice and helping solve their problems can impact their wider lives in positive ways and make them more resilient and prepared for similar problems in the future.

We have a strong commitment to social policy research and campaigns through our work, this allows us to act as a catalyst for change in public policy and services, enabling local people to have a say about local issues and services which affect their lives.

Our recent campaigns

Up rating of benefits

One such example was our campaign to local MPs to up rate benefits in line with inflation, this is important because of the impacts this report reflects, and that those on the lowest incomes are disproportionately impacted by increases to basic amenities.

We campaigned on this issue on social media, we met with local MPs to discuss the impacts this would have and the consequences of not supporting this recommendation.

As a result of our campaigning up rating benefits in line with inflation is due to happen in April and is a vital first step in helping households weather this storm. Raising housing support in line with rents and additional government interventions will further close this gap.

Ending forced installation of prepayment meters

The impact of increased energy costs has seen more and more households struggle to meet demands and fall into arrears, this has led to an increase in the number of households forced onto more expensive prepayment meters.

We campaigned to stop this as it leaves in most cases the most vulnerable unable to heat their homes or cook food, it also has a significant impact on households' health and well-being.

We met with Local MPs, we had articles in the local media, we promoted and discussed the issue on social media.



2:27 PM · Nov 17, 2022



2:12 PM · Oct 14, 2022



2:12 PM · Oct 14, 2022



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facebook.com

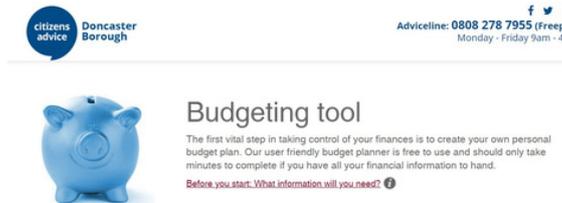


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Citizens Advice Doncaster provides such an important service to...
1.4K views, 71 likes, 1 loves, 17 comments, 11 shares, Facebook Watch Videos from Ed Milliband: Citizens Advice Doncaster provides such an important ...

7:57 AM · Jan 24, 2023 · 968 Views

Service innovations in response

In response to the findings of this report and data collected from our cost of living dashboard, we have been reviewing our advice services in order to try to meet the increased demand on the service. Our aim is to improve access to the increasing number of people who need our support and to do this in ways which are suitable and accessible to them.



Launch a budgeting tool on our website

As a result of this research we are investing in a budgeting tool for our website, this will improve people's access to budgeting support and advice.



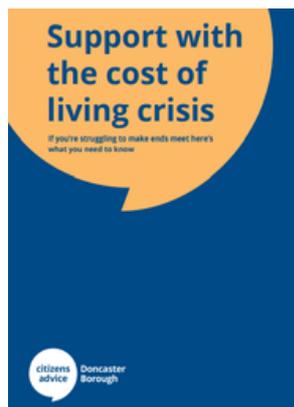
Launch welfare rights workshops trials

We continue to look to offer innovative approaches to supporting our clients, this allows us to advise more people in the same time frame, it also improves peer to peer support and reduces isolation of people with long term health conditions.



Improve access point to service

We've worked hard to scale up our face-to-face services across Doncaster including in libraries, church buildings, food banks and banks. We now have over 20 advice locations across the city. We are currently running a pilot with the local NHS to locate advisers in primary care centers in communities.



Improve access point to service

We are pleased to launch our cost of living support booklet which outlines what the service offers and how people can reach out for support and advice. It also looks to address the issue of information for people who are digitally excluded. (This will be available in different languages)

Service innovations in response



Relaunch - Advice Network

We are an active partner in the relaunch of the Local Advice Network. This group will look to strengthen partnership working locally, improve awareness of services and support available, it will offer expert up to date shared learning to attendees. It also aims to raise awareness of local issues and the group will use its status to campaign locally and nationally about issues residents face.



Improve volunteer opportunities

We are taking steps to strengthen our volunteer offer giving varied, challenging, rewarding, enjoyable opportunities which make a valuable contribution and a positive impact on people's lives.

Improved partner working

We have used the last year to strengthen our position locally, we established collaborative working practices with a number of key partners locally, this has been in the form of community workshops with and events addressing the challenges people face in the current climate.

New website launch

In late 2022 we launched our new website improving awareness and accessibility, it also featured our online benefits calculator tool. We continue to use social media and monthly newsletter to reach more people. It has easy to use referral tool for clients to self refer and for partners to refer to us.



Challenges on the horizon

The scale and aftermath of the cost of living crisis is unknown at this stage but early indicators suggest there will be lasting impacts to key areas, and changes to policy and welfare rights reforms will continue to significant impact those at in the most difficult circumstances. National crises and traumas always have long-lasting consequences that affect people across all income groups and parts of the country. But these are often disproportionately severe and long-lasting for those with fewer financial and other resources.

Impacts we're worried about

- **A future Debt Crisis** - This is happening because wages and benefits are not keeping up with costs of essentials, pushing more and more households under - into a 'negative budget', including working households. The number of people in a **negative budget** is growing, as is the number of people who are on the edge - with less than £50 per week after spending on their essentials. with growing numbers of households are likely turning to credit cards, loans and Illegal lending "to plug the gap between their income and outgoings" we worry more households could become trapped in a cycle of debt.
- The impact **Managed migration** would have on the city and claimants dealing with cost of living issues. 11,760 claimants due to be migrated by 2025 in Doncaster constituencies.
- The **removal of the Work Capability Element** may lead to more clients with disabilities or long term health conditions failing to meet the criteria for PIP because WCA will be linked to PIP so the claiming processes may be more complex, more clients will be turned down and this will lead to increased demand for assistance with mandatory reconsideration's and appeals in a climate where demand for welfare rights advice exceeds supply.
- **Housing costs - Local Housing Allowance (LHA)** increasingly becoming less effective as the level of support is out of sync with the housing market. LHA will continue to contributing to the wider cost-of-living pressures people are currently facing. As more of those who've fallen behind on their rent don't have the money to pay down their arrears, or are being forced to make alarming decisions about how they spend the income they have, some not eating or heating their home other resorting to illegal money lenders to bridge the gap in personal finances, this issues also leads to increases in evictions, and pressure on local housing providers.

Recommendations

National measures

- Citizens Advice believes targeted financial support in the form of a social tariff is the long-term solution needed to help millions of people struggling with record high energy bills. We are calling on the government to put in place long-term policies to support people.
- We're calling for annual cash payments of up to £1,500 to support certain households. Eligibility would be based on income and energy usage. Those on the lowest incomes and with high energy usage would receive most.
- Up rate Local Housing Allowance in line with current rents to safeguard the financial security of those on the lowest incomes.
- Write off benefit debts from historical and no-fault over payments, which undermine benefit provision, worsen poverty and increase debt for those on the lowest incomes.

Local measures

- Build upon existing collaboration between the local authority and third sector organisations to improve services on offer and work together to improve awareness and partnership working.
- Review service design and delivery to ensure this is responsive to those on the lowest incomes and to crises households face in a proactive as well as responsive fashion.
- Take steps to review and improve quality of advice on offer. To achieve greater consistency of products across the city, to ensure people are speaking to the right individuals with the right levels of training and expertise. This avoids people falling further into poverty due to incorrect or poor quality provision.
- Extend and protect funding of third sector organisations over sustainable periods, this ensures long term strategic goals can be achieved and sustained, and strengthens their ability to lever in additional funding.

In conclusion

In 2023 our service must continue to adapt and respond to changing needs. Our cost of living dashboard provides insight into the issues people are facing and allows us to identify trends and spot emerging issues.

Recent data shows that certain groups of people are struggling more with cost of living issues.

We are particularly worried about certain groups, for example, those with a negative budget (when their monthly outgoings exceed their income), those with higher energy costs (such as disabled people and people on prepayment meters).

As people increasingly find the cost of heating their homes unaffordable, we're seeing more and more people needing advice on making their homes more energy efficient to reduce bills. We expect to see demand continue to increase when energy prices rise again in April.

As a service we make a pledge to:

- Continue to work hard to try to assist our clients to **alleviate poverty** and empower them to make **informed choices** on issues that impact their lives.
- Carry on offering an innovative and forward thinking advice service which is responsive in its advice provision, open and **engaged with local partners and communities**.
- Look to **strengthen our volunteer offer** giving varied, challenging, rewarding, enjoyable opportunities which make a valuable contribution and a positive impact on people's lives.
- Continue to strengthen our offer to stakeholders and local communities, through **partnership working**.
- Stay abreast of **technologies** and understand how this can positively impact advice. Use technology to maximise our availability and productivity so that clients have a choice of ways to contact us and obtain the advice and information they need. As a result of this research we have launched an online **budgeting tool** on our website.

Trustees, staff & volunteers at

Citizens Advice Doncaster Borough

Thank you

to all our donors and volunteers!



**We couldn't
have done it
without your
generous
support.**



Doncaster
Borough



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