

# Turning Down the Heat 5

January 2024 Update  
Figures to 31/12/23



**Staffordshire N  
& Stoke-on-Tren**

A photograph of a family in a laundry room, overlaid with a semi-transparent blue filter. A woman stands on the left, a young child sits on the edge of a washing machine, and a man stands on the right, looking down at something in his hands. The scene is lit with warm, yellowish light.

# Introduction

This is the latest in a series of reports that CASNS has produced describing the impact of the continuing cost of living crisis on our clients.

When this crisis started in April 2022 no one expected us to be still in the grip of it 2 years later.

Nonetheless that is where we are. Although the month-to-month numbers may go up and down the underlying trend shows more and more people are being affected by this crisis and the need for additional support continues.

*Simon Harris*

*Chief Executive Citizens Advice Staffordshire North  
& Stoke-on-Trent*

*January 2024*

# Background



The roots of the crisis lie firmly in the 2008 financial crash and subsequent recession

Following the financial crash, we advised many more clients in debt, but the value of those debts was much smaller than before as we witnessed a huge shift away from credit cards, loans, store cards and other credit debts and towards priority debts such as rent, mortgage, council tax and utilities.

We were also approached by more people with a negative budget, where their basic day to day living costs exceeded their income. Both of these developments suggested that even then more and more people were struggling to make ends meet.

Welfare Reform exacerbated the situation by reducing many people's incomes, cutting benefits and increasing costs as local housing allowance was frozen and the amount of council tax support available was limited.

By 2021 turmoil in the energy markets saw domestic bills begin rise, a process that has been further exacerbated by the effects of the Ukraine invasion and recent high inflation.

# Why is Stoke-on-Trent hit so hard?



## **Fuel Poverty**

The April 2023 fuel poverty figures show that with 22.9% of households classed as fuel poor, Stoke-on-Trent had the second highest rate in the country after Birmingham. This showed an increase even from 2021 (21.8%)

In Newcastle-under-Lyme and Staffordshire Moorlands 18% of households were classed as fuel poor. This figure, while lower than Stoke-on-Trent, was still above the Staffordshire figure of 15.8%.

## **Benefits and Universal Credit**

Stoke still has rates of benefit claimants significantly above the national average. In November 2023, the claimant count was 8,765 people or 5.4%, compared to a Staffordshire figure of 2.8% and a national rate of 3.8%.

In November 2023 there were 33,647 people receiving Universal Credit. While this figure inevitably will rise as the migration from legacy benefits progresses, it still places Stoke-on-Trent 29<sup>th</sup> out of 309 districts.

Rates of personal insolvency are among the highest in the country while local estimates suggest between £80 and £100 million a year of benefit goes unclaimed, money that could make a huge difference to families affected by this.

Average earnings remain at 85% of the national average, as they have done for most of the last 20 years.

# Factors affecting the cost of living

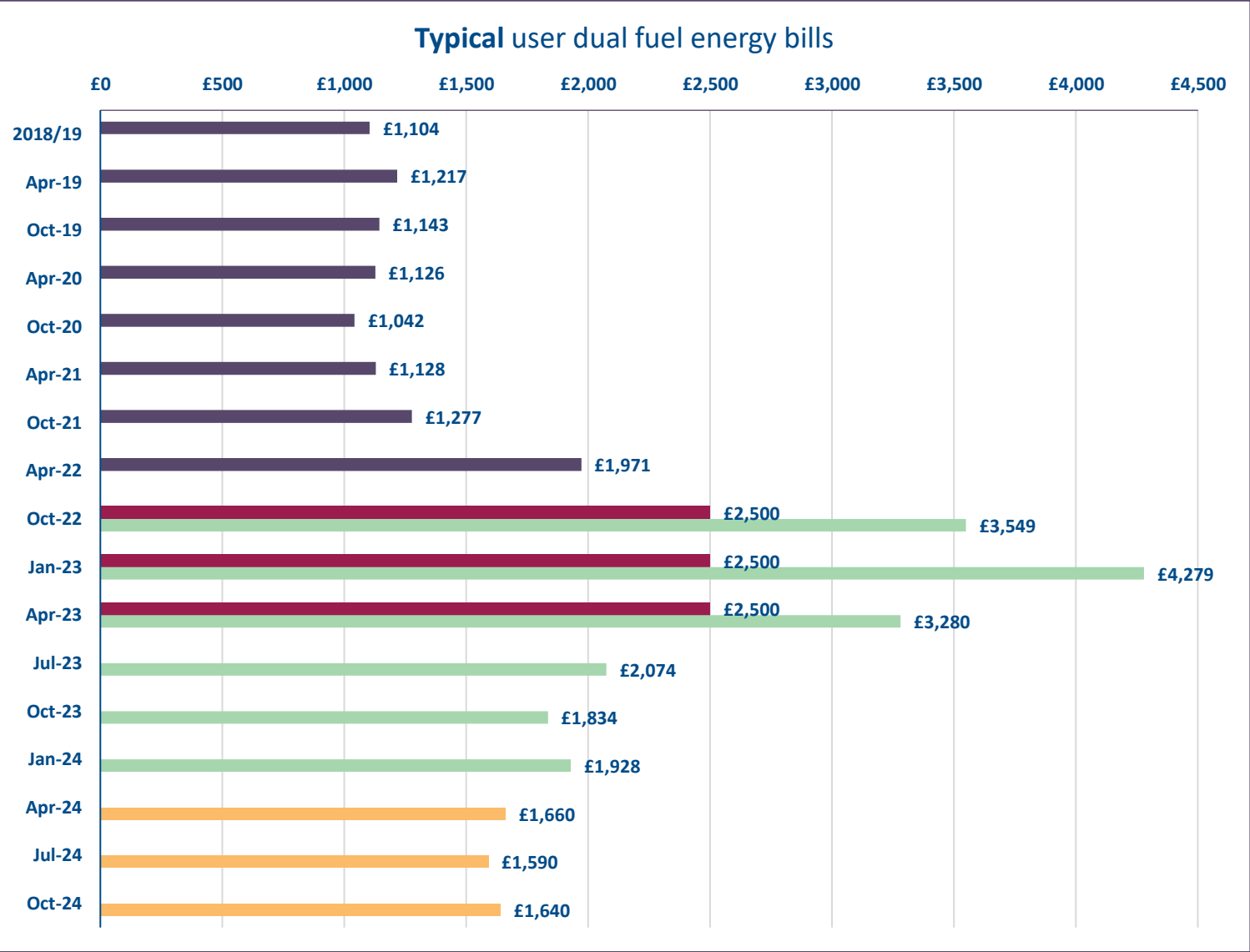


- Inflation in November 2023 had fallen, but was still 4.2% - twice the Bank of England's target figure
- Food inflation was still 9.2%
- According to the ONS 4 in 10 adults are spending more than usual on their shopping
- Nationally private rents rose by 6.2% in the year to November 2023
- More than 1/3 of adults are finding it difficult or very difficult to afford rent or mortgage payments.
- The Bank of England Base Rate stayed at 5.25% in December 2023, again a figure that has not been reached since before 2008.
- Landlord possession claims nationally were up 18.7% in July to September 2023 compared to the same period in 2022.
- Mortgage possession claims were up 13.7% in July to September 2023 compared to 2022.
- Council Tax is likely to rise by 4.99% again in April and Council rents in Stoke could rise by 7.7%
- Energy prices remain at historically high levels compared to pre-2021
- Most fuel suppliers are still charging the price cap so there is next to no competition in the market, unlike before 2021.

# Energy Price Rises

Although costs for a typical user are forecast to fall later this year, they remain significantly higher than in the winter of 2020, even accounting for inflation.

The green bars are the Ofgem price cap and the yellow bars are what the cap is forecast to do through the rest of 2024

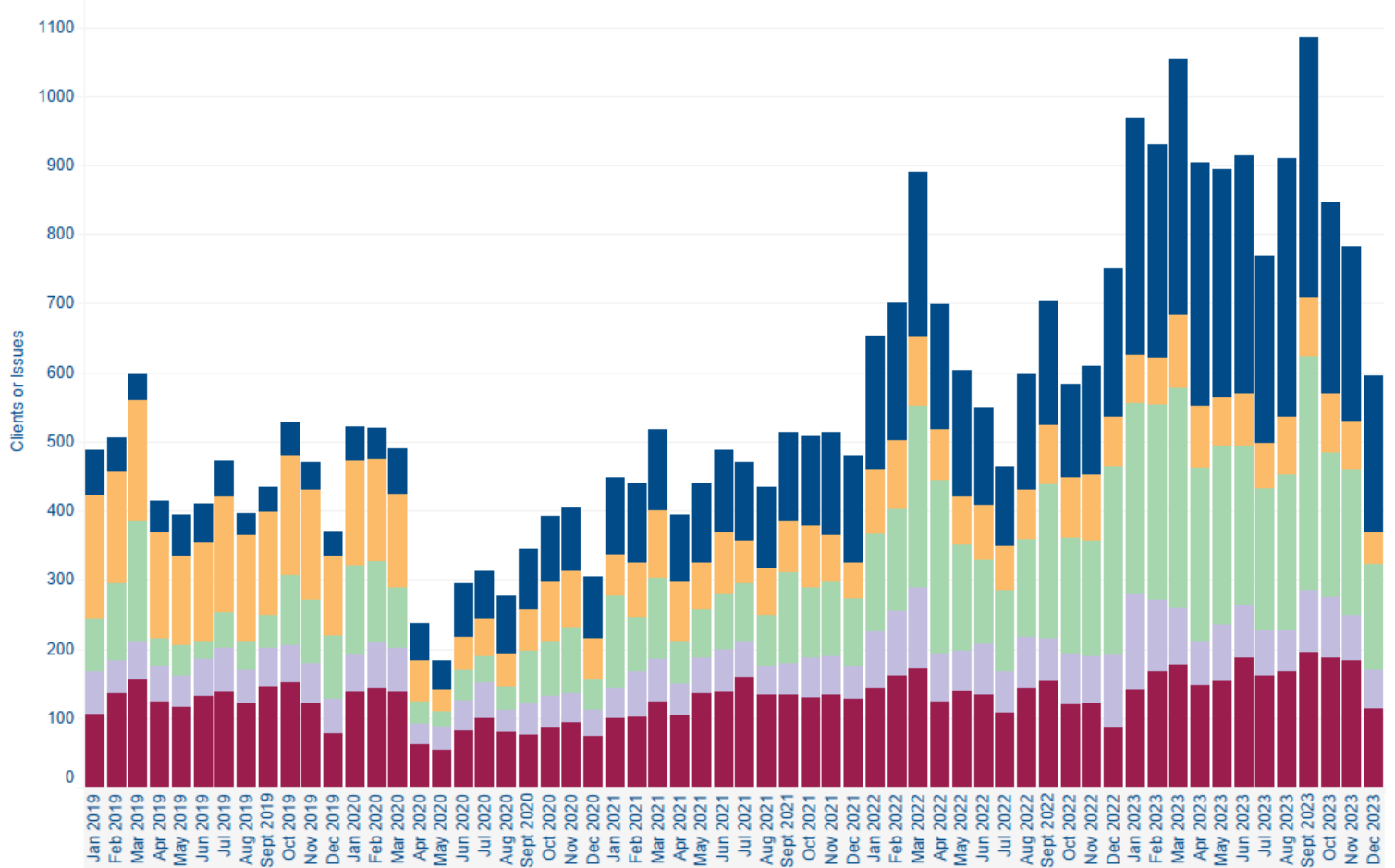


# The 5 main enquiry areas

As expected, the number of clients fell during December and had begun to fall earlier in the autumn. This is almost entirely due to the fact we had fully distributed our allocation of Household Support Funding for Stoke during October and withdrew from referring people to the county's scheme because of problems managing the demand.

- Charitable support & Food Banks
- Energy
- Personal independence payment
- Council tax arrears
- Energy debts

Five Key cost of living issues



This report is to show the number of clients per month with the selected issue/s

# 'Alan's' story

*'Alan' is 65 and lives in a property owned by his brother but where the kitchen roof leaked. When he approached us for advice, his only income was PIP and he was struggling to get by on £62 a week, cutting back on food and going without heating. We put him in touch with a partner agency who fixed the roof and ensure the property was warm and dry. We also referred to Groundwork's Green Doctor scheme for additional energy efficiency measures and advice on how to maximise his boiler's efficiency.*

*In the meantime, we checked 'Alan's' benefits and found he should be getting Pension Credit as well as PIP, boosting his income by £182 a week and then Council Tax Support as well, to reduce his arrears and outgoings. We also helped him get on to Severn Trent's Big Difference scheme which paid off his water charge arrears.*

*He had been unable to afford clothes or replace his worn-out shoes so while we were waiting for his Pension Credit claim to be decided we helped him apply to a grant making trust for a £200 grant for help with clothing, shoes and new bedding and another for £50 worth of food.*

*We also helped 'Alan' join the Priority Services Register, which will protect his energy supply if he struggles in the future.*

*'Alan's' home is now repaired and much more energy efficient, his water and council tax arrears have been cleared and he now has a regular income to cover his living costs.*

*He readily admits that without Potteries Money Wise's help he would not be where he is today.*



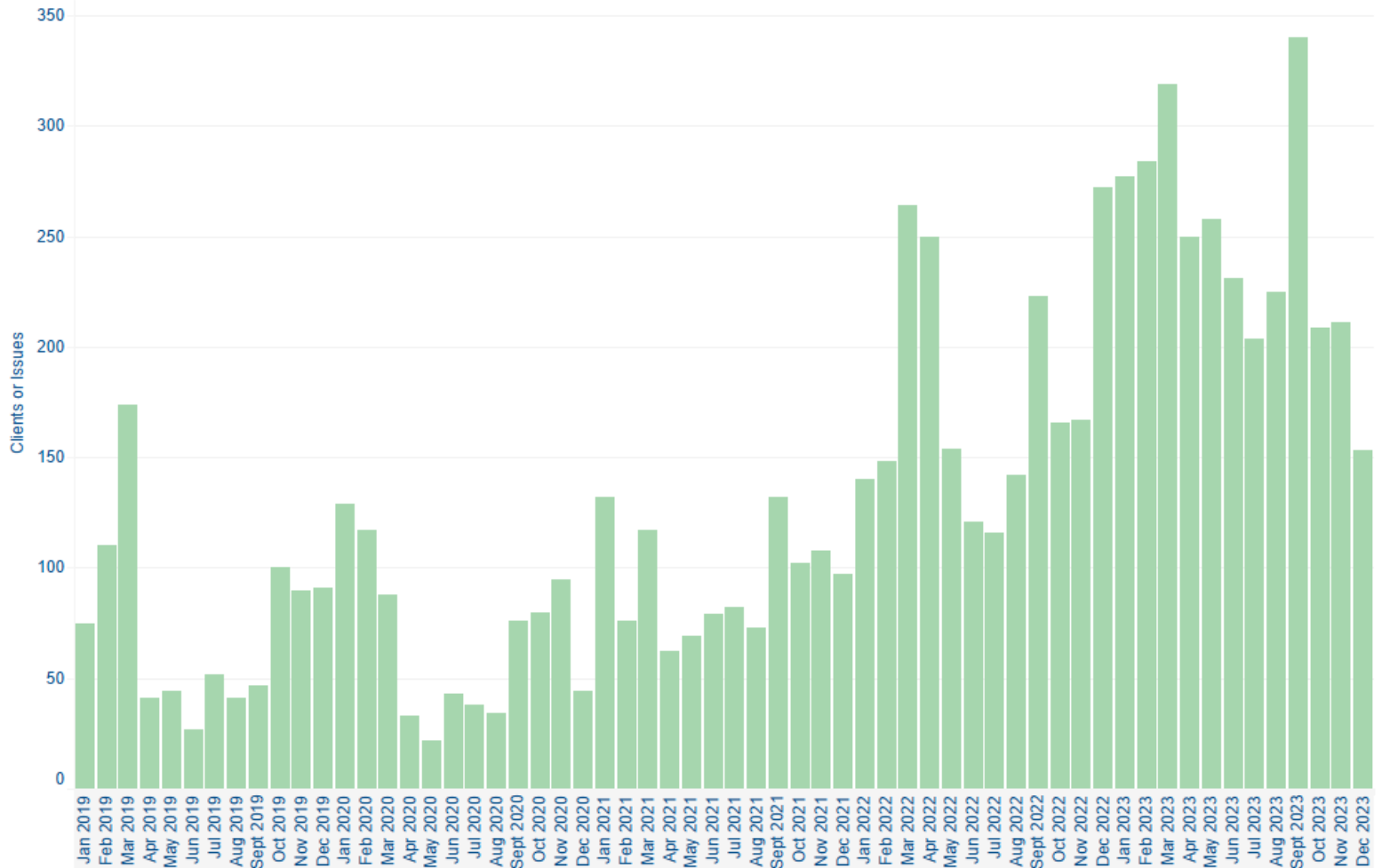


# Energy

Energy enquiries hit an all time high in September 2023, just before the change in the price cap.

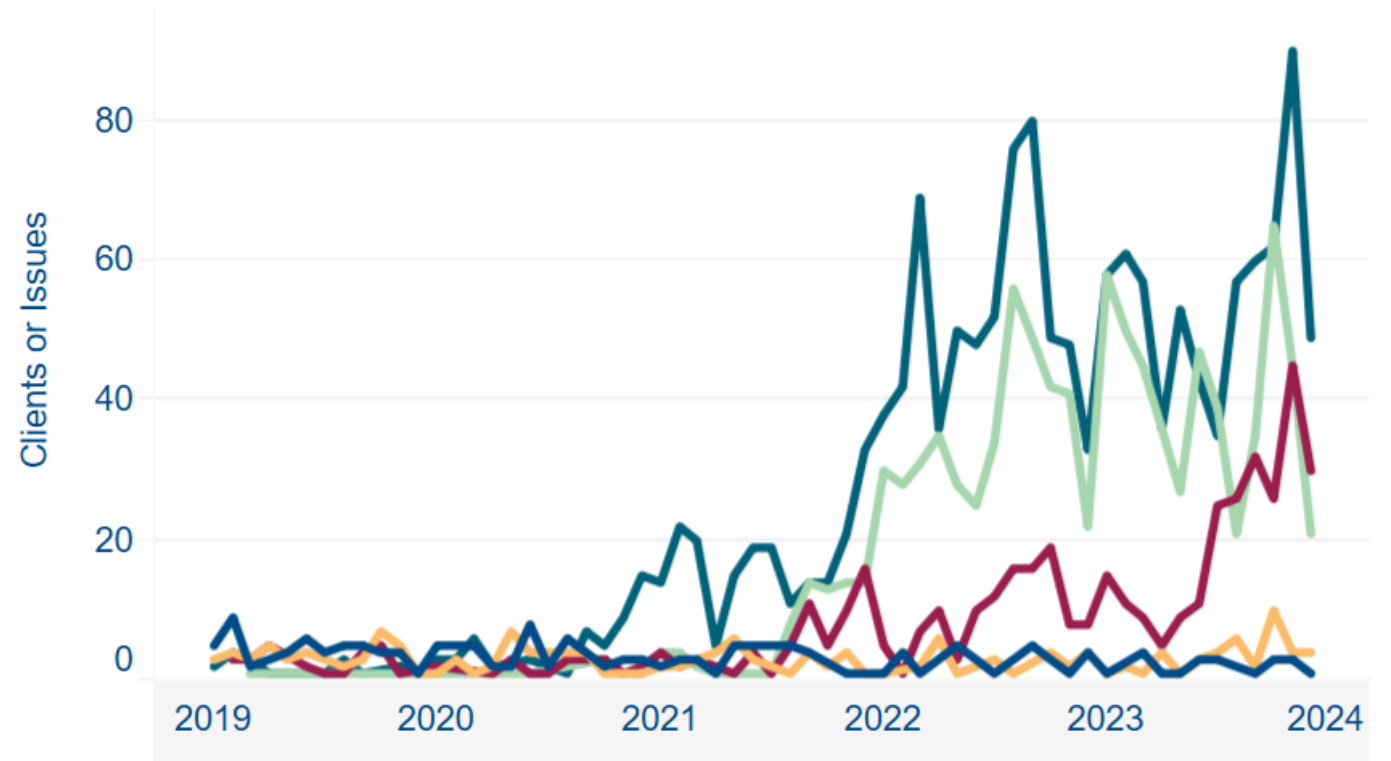
However, as energy costs have been falling with the price cap reductions, so too the demand for energy advice has eased.

The small increase in the cap in January may well prompt an increase in requests for help.



This report is to show the number of clients per month with the selected issue/s

## Energy Efficiency



# Energy Efficiency

One response to the rising cost of energy has been a greater interest in energy efficiency. This chart shows how that has translated into advice enquiries as more and more people become aware of the available help.

- 03 Building repairs & improvements
- 17 Fraud and scams
- 18 Energy company obligation (ECO)
- 22 Energy efficiency measures (non-ECO)
- 27 Practical Energy efficiency Advice

# 'Carla's' story



*'Carla' lives alone with her 2 children. She suffers from very severe anxiety and is unable to work because of this. Living on benefit for a lengthy period has depleted her savings and left her struggling to make ends meet.*

*'Carla' was referred to Potteries Money Wise who checked her benefits and identified that she was entitled to PIP and new style ESA but hadn't claimed them. The adviser helped 'Carla' claim these benefits. She also referred her into Severn Trent's Big Difference scheme which paid off the arrears on her water charges and provided ongoing support with them.*

*As she was also struggling with her fuel bills we gave 'Carla' a fuel voucher, advice on simple energy savings measures and referred her to Groundwork's Green Doctor scheme for further specialist help with energy saving. We also referred her into the county's Household Support Fund for extra financial help and gave her 3 pre-loaded Vodafone sim cards, so she and her two children could use their mobile phones.*

*As a result of this advice 'Carla' is £160 a week better off, has her water charges covered, can keep in touch with other family members and has been able to heat her home with the fuel voucher.*

*Given her condition it is highly unlikely that 'Carla' would have been able to achieve all this for herself.*

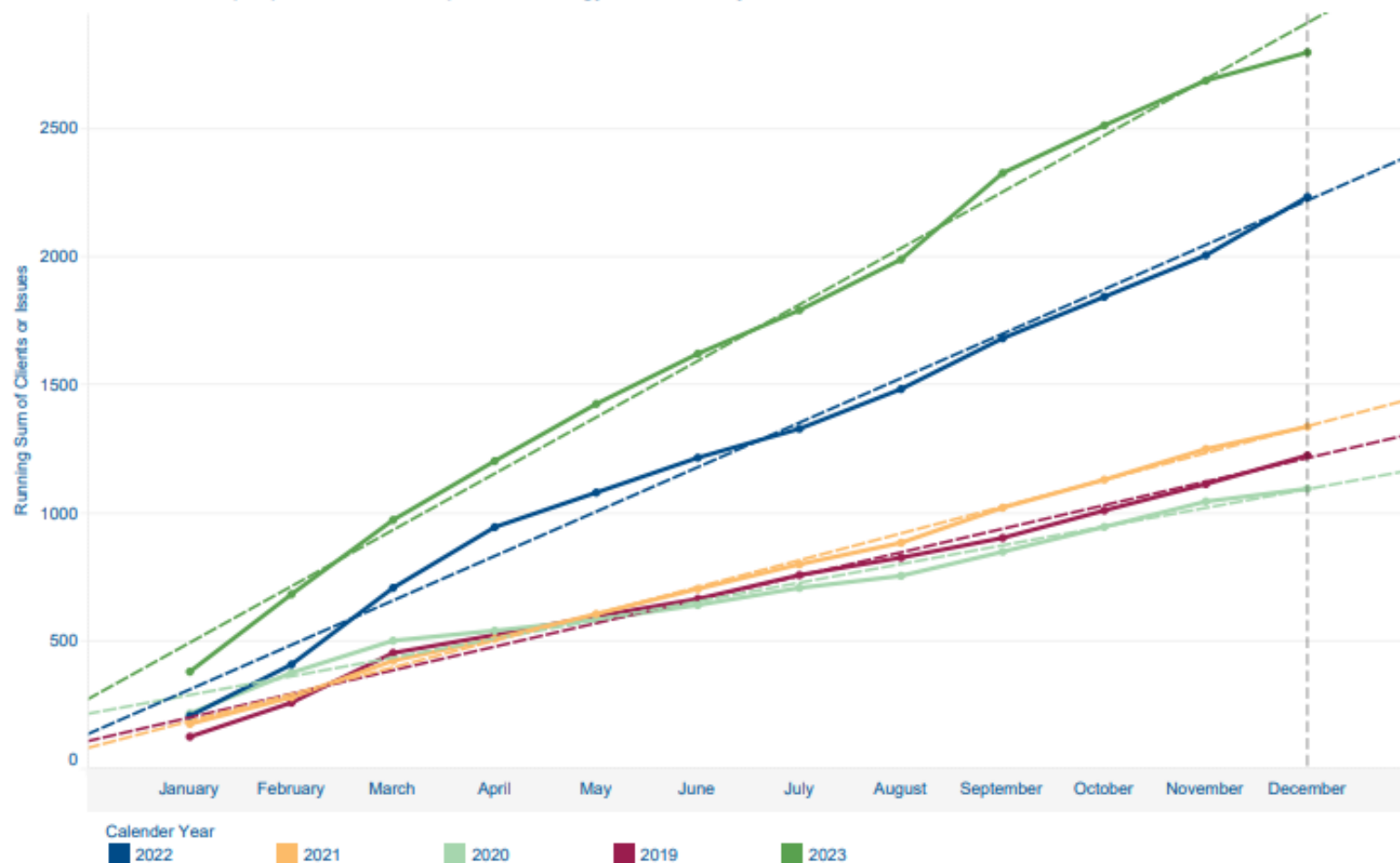
# Energy year on year

For the second year running we have significantly exceeded the number of clients needing energy advice.

In 2023 we passed the 2022 total in August and the annual total was 22% up on the previous year.

This shows cumulative energy clients by year with trend lines. The trend line for the current year indicates how many clients we might see later in the year based on historic data.

Cumulative number of people who we've helped with energy issues each year

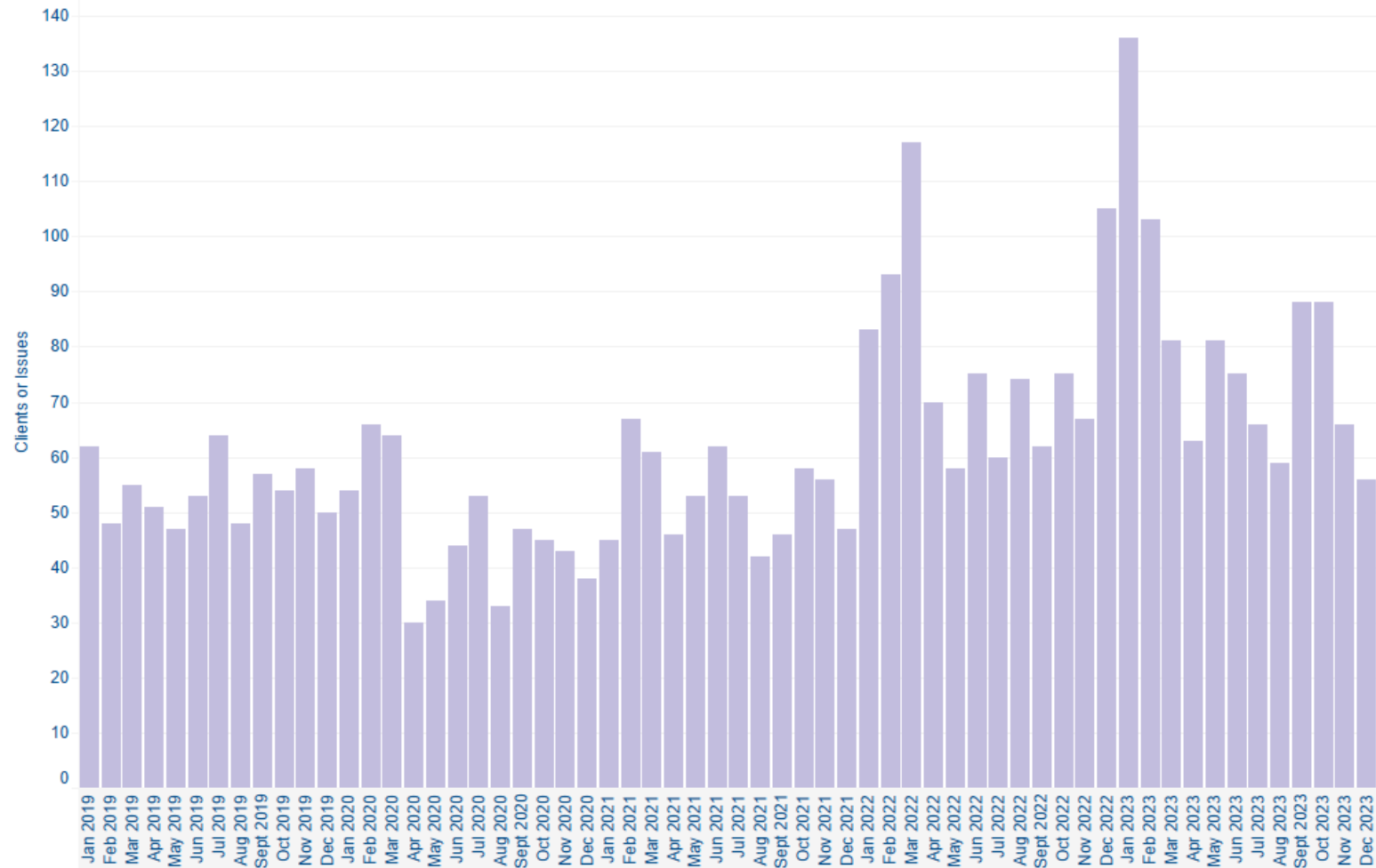


This includes a range of issues, including energy bill affordability, debt recovery action, issues with billing and customer service

# Energy Debt

Energy debt remains a significant issue for many people, but the impacts have been muffled by the additional help available including the provision of fuel vouchers.

These emergency measures have prevented significant numbers of people from falling seriously into debt with the consequent risk to their supply.

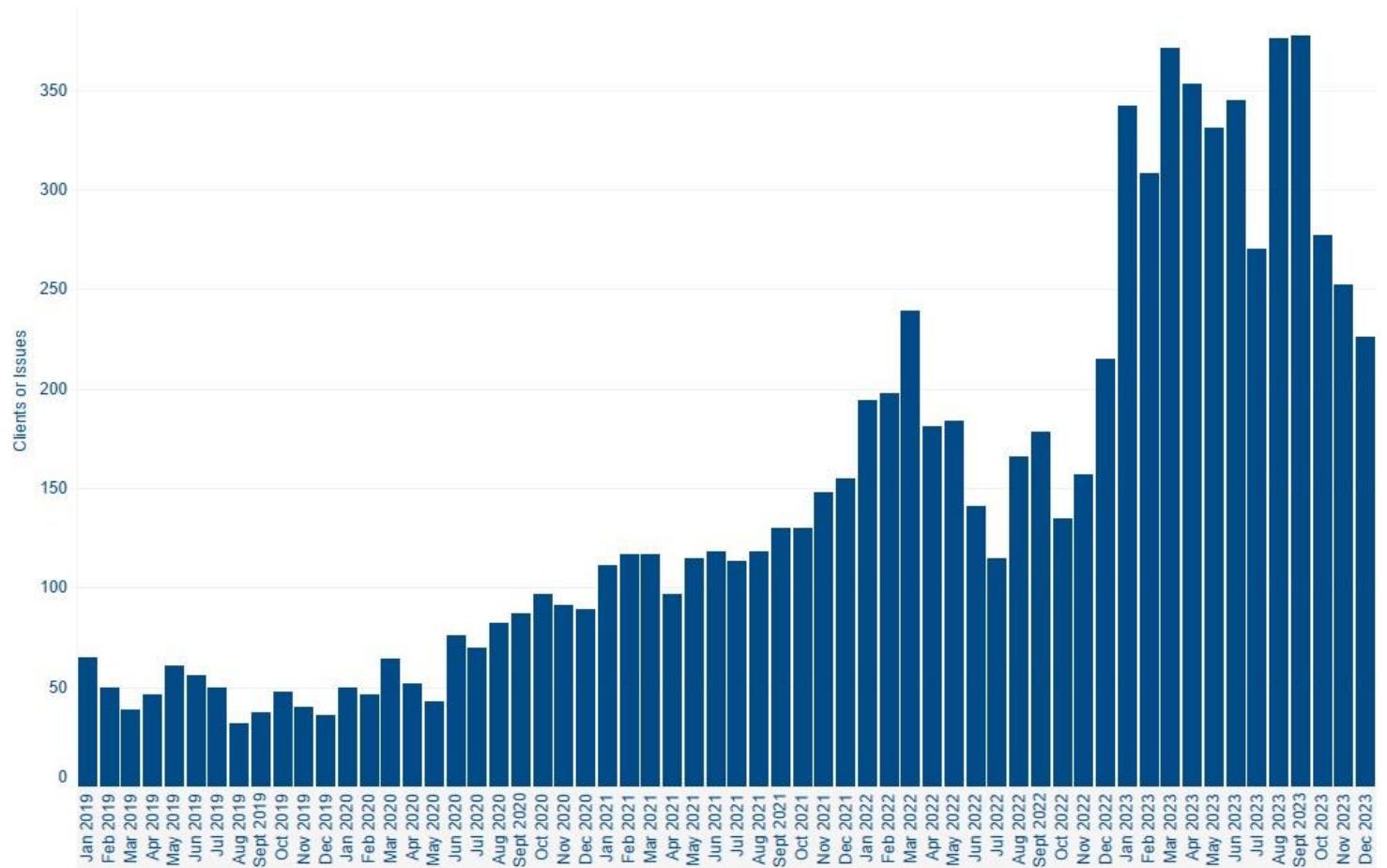


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# Crisis Support

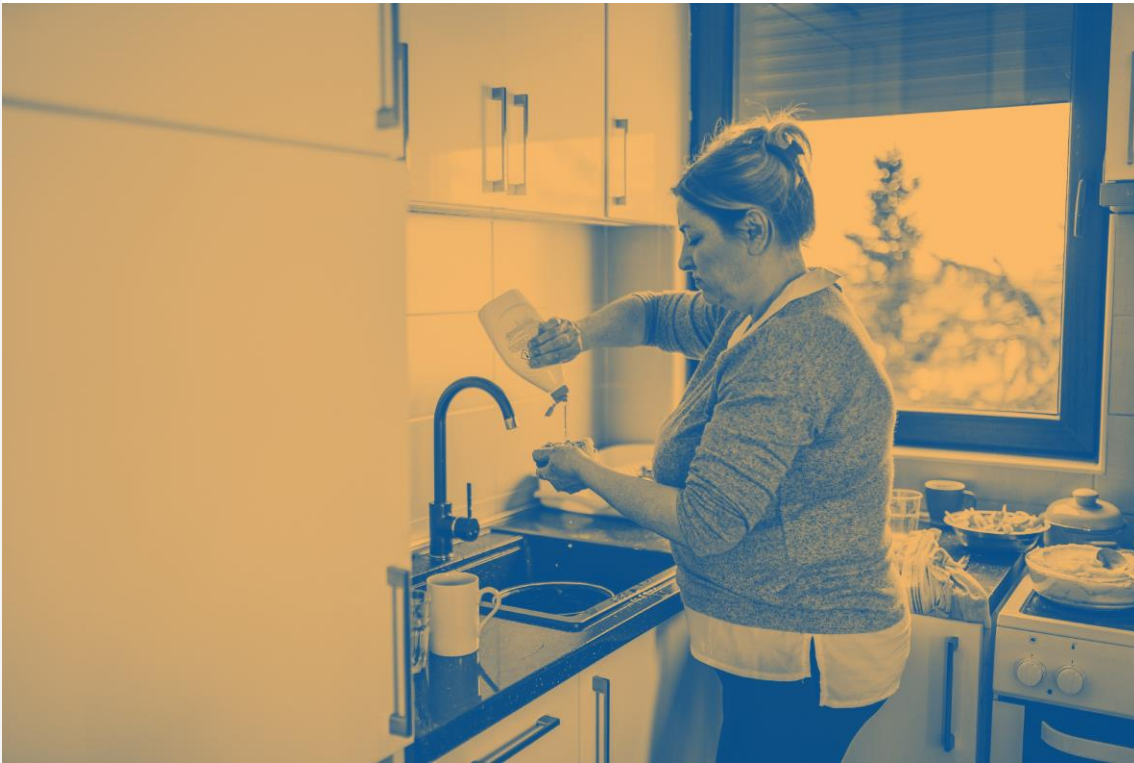
Demand for crisis support peaked in August and September, before falling back in the autumn as we ran out of Household Support Fund money to distribute.

However, demand for crisis support remained higher than it has been at many points in the last couple of years as we carried on referring to Foodbanks and other sources of emergency help.



This report is to show the number of clients per month with the selected issue/s

# 'Chris's' story



*'Chris' contacted us because her and her partner's Universal Credit (UC) claim had been suspended a week before her rent and bills were due because of a question about the legitimacy of their claim.*

*The claim has been suspended for a month, without a formal decision being issued yet, leaving 'Chris' and her family with no money for bills, rent or food.*

*'Chris' told us that they don't have a car so have to walk everywhere and thus any support would need to be local and that one of her children has a food allergy.*

*We gave them a foodbank voucher for food for their children, a fuel voucher and offered to contact the Job Centre about the suspension of UC especially as without a decision they cannot appeal the suspension.*

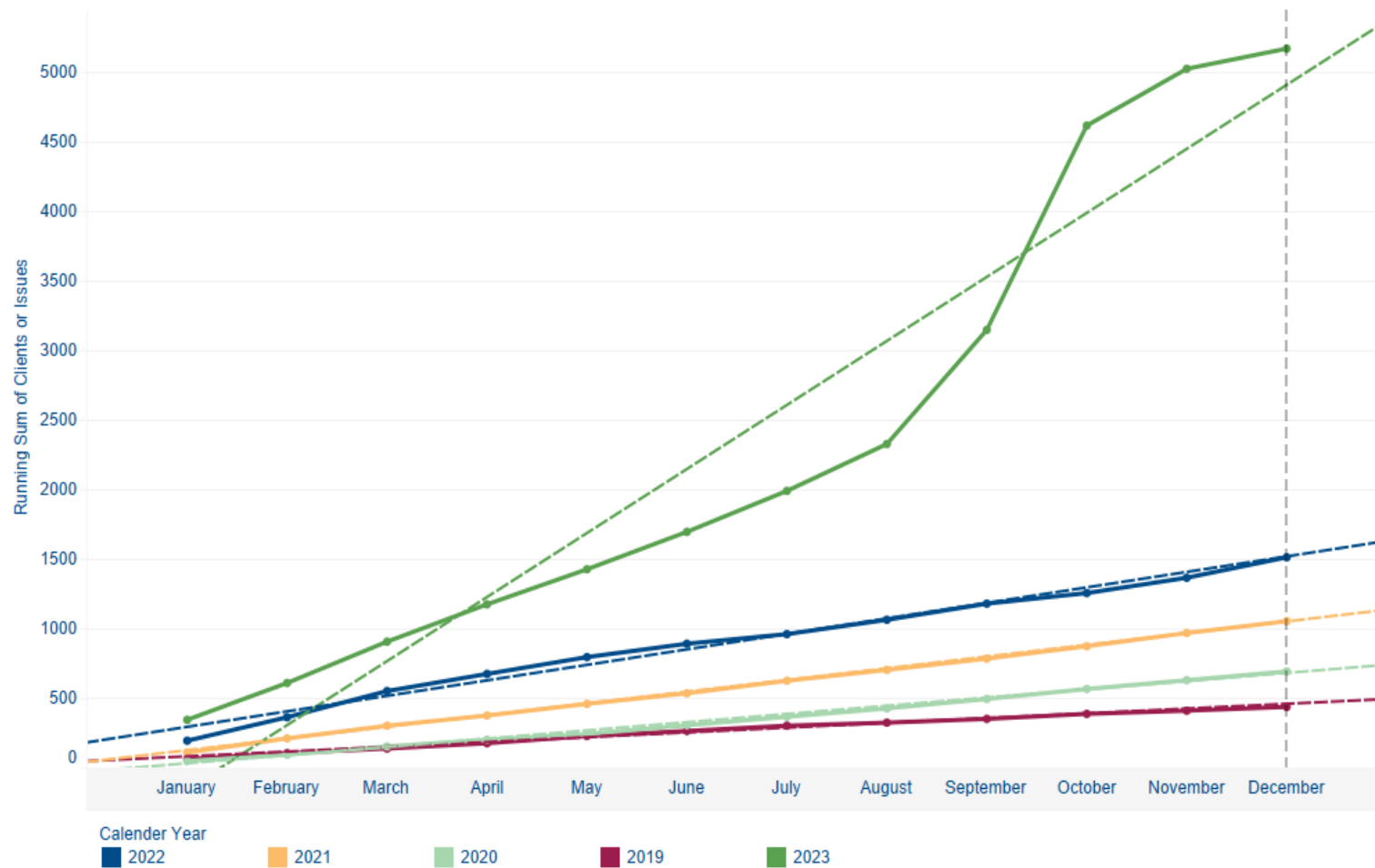
*We did so and are waiting for a response from the DWP.*

*We would also have given them a payment from the Household Support Fund, had our allocation not already been fully spent.*

# Crisis Support year on year

This chart shows the dramatic increase in demand for crisis support during 2023, especially in the second half and how we had exceeded the 2022 number of clients advised by May/June.

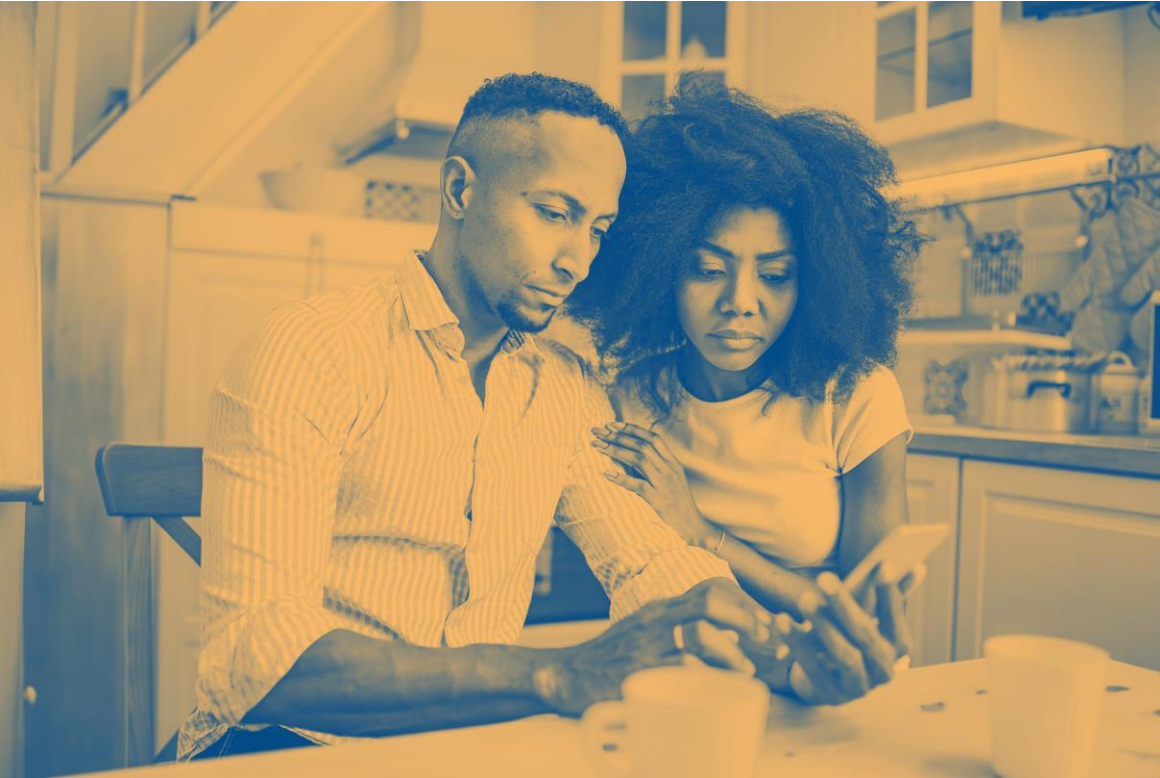
This clearly demonstrates how the crisis has deepened the longer it has gone on.



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



# 'John' & 'Sally's' story



*'John' and 'Sally' contacted us because they were struggling to support themselves and their three children. 'John' is off sick from work and his sick pay had just dropped to SSP. 'Sally' is on maternity leave and she gets PIP, 'John' has also applied for it and is waiting to hear the outcome of his claim.*

*They were struggling because their latest payment of UC, paid in arrears, was based on a month when 'John' was still receiving contractual sick pay and the shortfall has left them unable to make ends meet in this month, when his income has dropped back to SSP and is thus significantly less.*

*Our generalist team issued them with a foodbank voucher and referred them to Potteries Money Wise for energy advice and support with their fuel bills.*

*Unfortunately, there is nothing we can do about the 'shortfall' of Universal Credit as payments are based on the income received in the previous month and thus the payment was correct. That was little consolation for 'John' and 'Sally' as they struggled to buy food that month.*

*This quirk of the UC system has aggravated the effects of the cost-of-living crisis and caused a lot of our clients to struggle.*

# How many people in SoT, CA helped with crisis support

- April - June 2020: 6.7 per 10,000
- April - June 2021: 9.4 per 10,000
- April - June 2022: 11.2 per 10,000
- April- June 2023: 24.6 per 10,000

These figures show how demand for this type of help has increased dramatically since 2020, increasing fourfold so that 24.6 people in every 10,000 in Stoke-on-Trent has been helped with Crisis Support.

When the figures for later quarters in 2023/24 are available, we may see another significant increase to reflect the previous chart.

# Personal Independence Payment

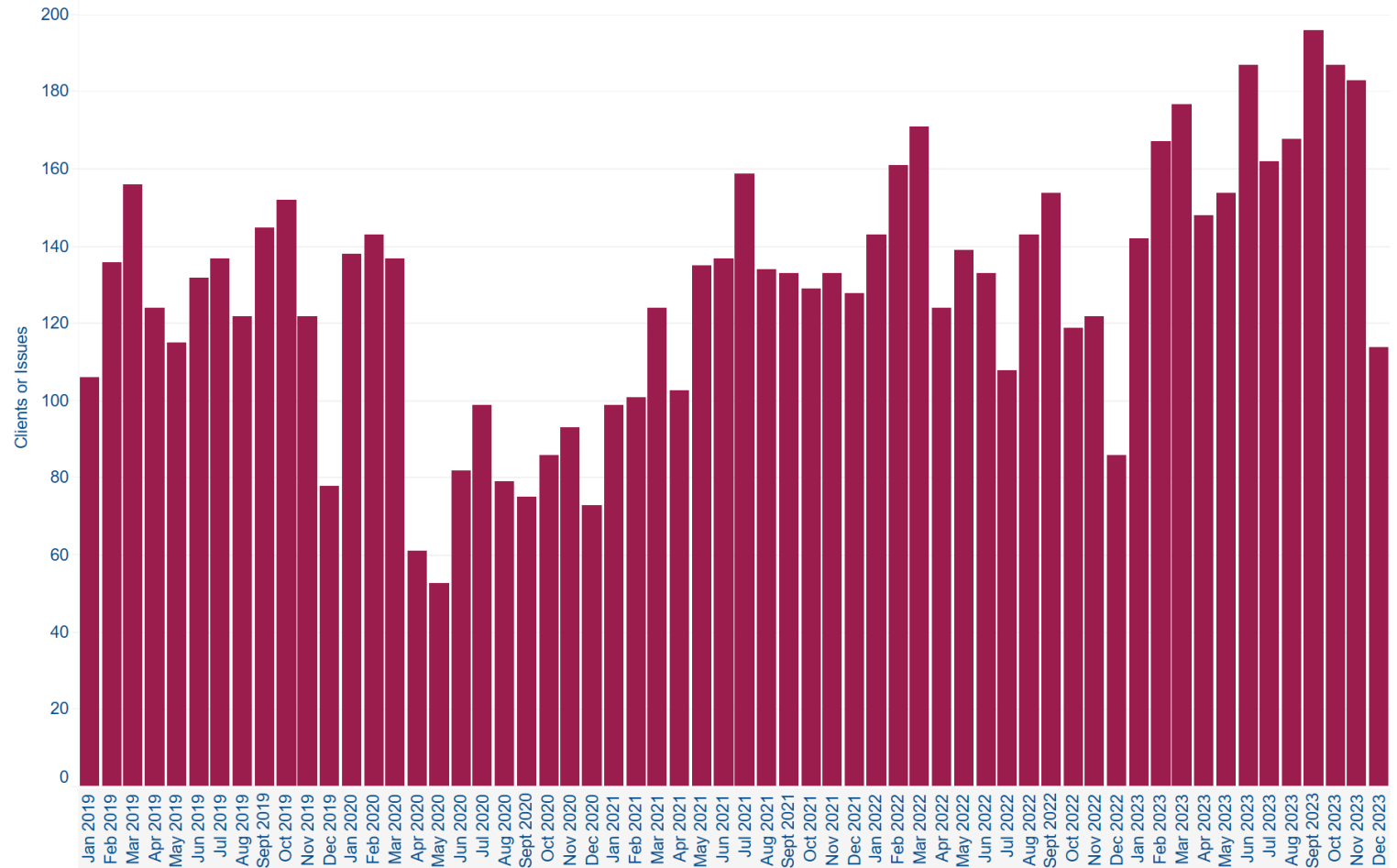
Personal Independence Payment, or PIP, has become a much more important benefit for those who qualify.

It is not means-tested so it doesn't affect the recipient's other income, in fact it qualifies them for additional means-tested benefits, allowing many to qualify for the first time, and for the Cost-of-Living support for disabled people.

The steady increase in demand for help with PIP claims is therefore no surprise.

■ Personal independence payment

### Five Key cost of living issues



This report is to show the number of clients per month with the selected issue/s

# 'Craig's' story



*'Craig' lives at home with his parents. He has severe mental health problems for which he receives medical treatment. When 'Craig's' mother contacted us, the family were struggling to get by as at that point 'Craig' was being fully supported by his parents.*

*We checked his benefits and found that he had a very strong case for Personal Independence Payment, so we helped them submit a claim. We also arranged for 'Craig's' mother to become his appointee for benefits so she could make and manage claims on his behalf.*

*The claim was successful, so we also advised his mother to claim Carer's Allowance, which she did.*

*Overall, the family is now £205 a week better off, and 'Craig' is now entitled to the disability-related cost-of-living-payment to put towards the family's bills.*

*His mother can manage his benefit claims and they feel much more in control of their finances now.*

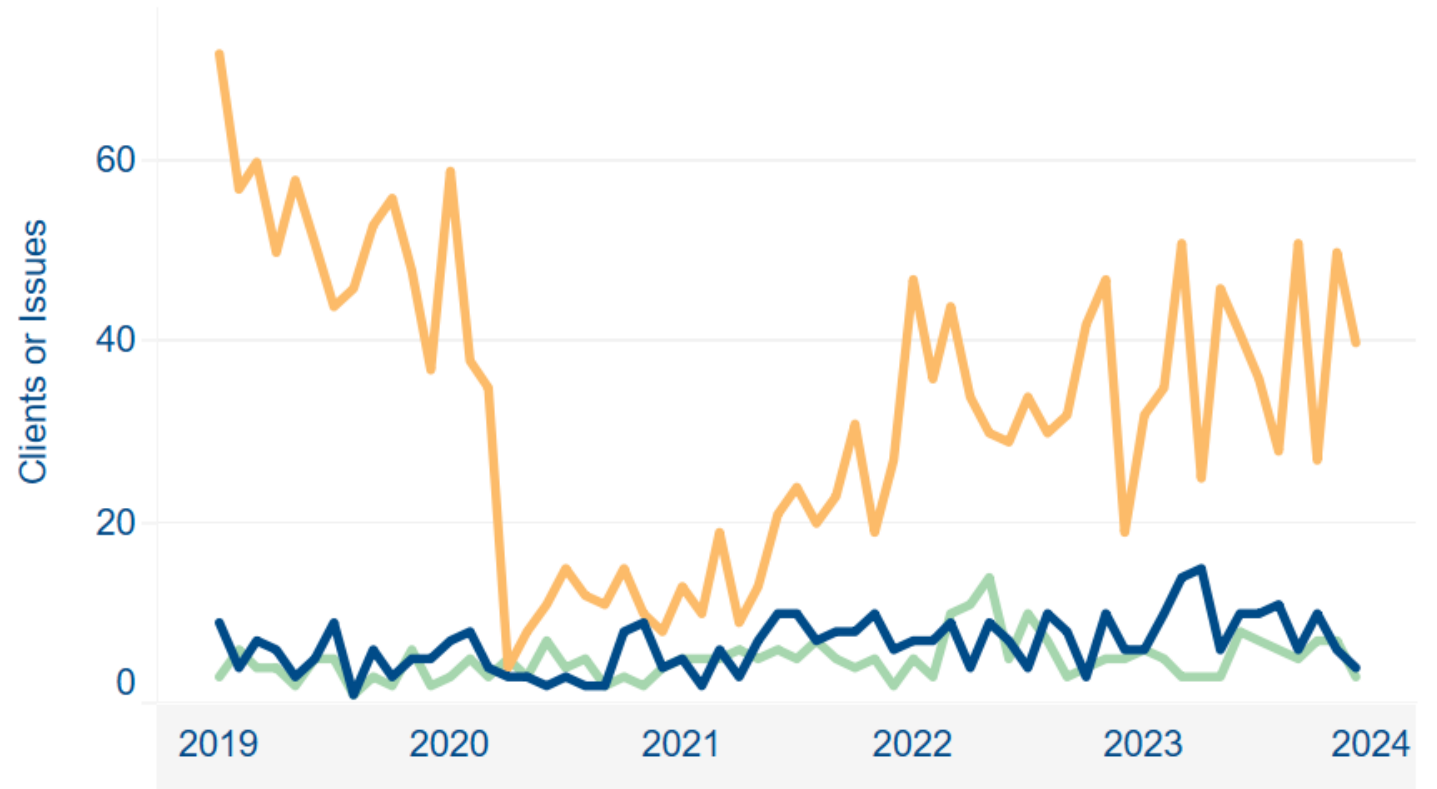
# Homelessness

One consequence of rising rents, frozen local housing allowance (fortunately unfrozen but not until April 2024) and rising interest rates, has been an increase in clients threatened with homelessness.

This chart clearly shows the increase in queries on this topic since the reopening of the courts after the lockdown.

Although we have not returned to pre-lockdown levels, mainly because social landlords have found alternative ways of managing arrears, the numbers are not far off.

## Homelessness



- 02 Actual homelessness
- 03 Threatened homelessness
- 04 LA homelessness service

# What can we do locally?

1. Increase income and reduce outgoings
2. Benefit take up – shift the £30- 100 million a year that goes unclaimed into the pockets of those that need it
3. Continue distributing emergency support and support those organisations that do
4. Promote energy efficiency and support measures and schemes provided by energy companies & government
5. Explore realistic longer-term initiatives around food poverty

# What can we press for nationally?

1. Maintain current cost of living support until Ofgem price cap falls to £1,200
2. Introduce a price cap threshold for additional support (e.g. the £400 fuel discount)
3. Reform domestic energy pricing to reduce the standing charge and introduce social tariffs for gas and electricity
4. More investment in renewables
5. Pass the renters reform bill, without replacing section 21 with an equivalent mandatory ground
6. Press for continuation of the Household Support Fund

# Turning Down the Heat 5

For further information on the contents of this report please contact Simon Harris on 01782-408650 or at [simon.harris@casns.org.uk](mailto:simon.harris@casns.org.uk)

For further details of Help with the Cost-of-Living visit:

[Home - #StokeOnTrentTogether \(vast.org.uk\)](https://vast.org.uk)

[www.pmwonline.org.uk](http://www.pmwonline.org.uk)

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

[www.snsCab.org.uk](http://www.snsCab.org.uk)



**Staffordshire North  
& Stoke-on-Trent**



**For advice please ring:**

0800 144 8 444 – for help claiming Universal Credit

0800 240 4420 – for debt advice (national CA helpline)

01782-408625 – for debt advice (local face to face team)

01782-408685 – for Potteries Moneywise

0800 223 1133 – for a consumer or energy problem (CA national helpline)

0800 144 8848 – for any other advice query.