



HEAT

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STIRLING

**citizens
advice
bureau**

Charity No. SC007270

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Heat & Eat Campaign

A world of food banks and fuel poverty has unfortunately become the norm in recent years. In the past 18 months, the Stirling Citizens Advice Bureau made over 1,000 food bank referrals and the number of households estimated to be in fuel poverty in the Stirling area is 12,900. We at the Stirling CAB decided to conduct research in order to identify ways in which we can attempt to break the cycle of dependency which has become so prevalent in not only the Stirling area, but also across Scotland and the UK as a whole.

We carried out a survey on a number of our food bank clients between April and October 2016. Our main findings were;

- Over 75% of food bank referrals were due to 'budgeting reasons'
- At least 27% of our food bank clients were repeat referrals
- 50% of clients had went without electricity/gas in the last 6 months, of this 50%;
 - Two-thirds had this happen more than once
 - 47% had to go without for more than a day
- 1 in 5 did not have a bank account
- 83% used prepayment meters which have been shown to cost on average £300 per year more than direct debit/standing orders
- 63% didn't use direct debits for any bills
- 36% said that they incurred costs in order to get to their local food bank
- 48% had to take some other form of transport than walking or cycling to get to the food bank
- There was a clear demand for more localised food banks
- 61% felt that they would benefit from having access to budgeting/debt advice
- In the first 2 months of our food bank advice project, there has been a rise in post-referral advice engagement by clients from 5% to over 80%

Case 1

Client came to us after receiving a bill from their energy supplier for £120, they were keen to pay this off and due to budgeting difficulties they were also in need of a food bank referral.

With the Bureau's assistance, they were able to set up a direct debit payment plan with their energy supplier which would pay off the debt within 6 months. The client was also given a 4 week food bank referral.

Two months later the client returned to ask for a food bank extension as the payment plan previously agreed to was leaving them extremely short of money for food. They were given a two week food bank extension.

Five months later the client was back in the Bureau with continued issues with their energy costs. They were using emergency supply and over 20% of their income was being spent on energy costs.

“The client would starve, he has nothing in the fridge. He regularly attends Salvation Army daily. It was they who referred him to CAB. He has had to make the choice between heating and eating. £60 of his £69 has been spent on fuel due to direct debit and self-disconnection.”

Case 2

Client was a full time carer for his mother who had been in hospital for a short time. All of the client's money had been spent on bus fares and items needed for their mother in hospital. They were due their JSA, DLA and HB within the next few weeks but at the time had no money for food (mother needed high protein food to put on weight) and their gas and electricity (key cards) were on emergency and were due to run out. The client had already had 4 social welfare fund payments, so could not apply for another, and they were refused an advanced payment of their JSA. They came to the Bureau for a food bank referral and for help with their gas and electricity.

Client was given a 3 week food bank referral and the Bureau got in touch with their energy supplier who agreed to give £20 advanced credit on both the gas and electricity pre-pay meter. A payment plan was agreed so the client would pay back £3.65 per week on both.

Case 3

A client came in looking for a foodbank referral, they had mental health problems and were in debt. Out of the £73.10 of benefits she was entitled to, after social fund and council tax deductions she only received £48.23 per week to live on. The client had a prepayment meter for both their gas and electricity, and both were in emergency credit.

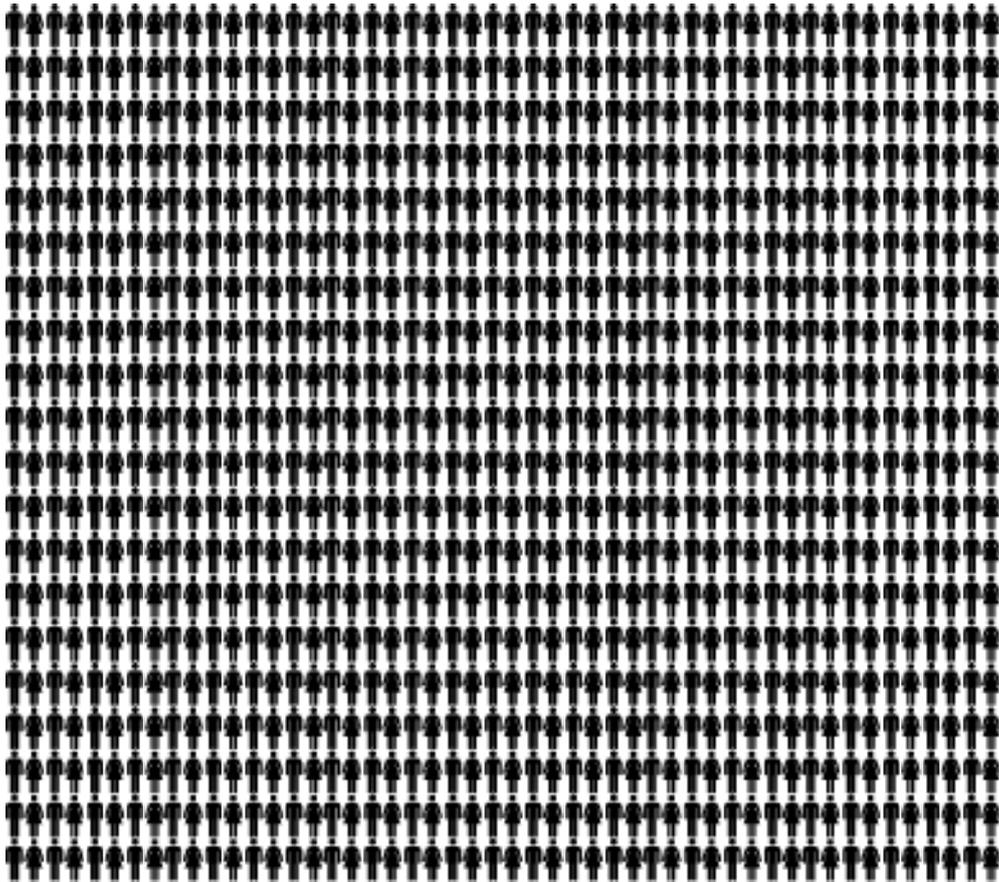
The client was given a food bank referral and £10 for their gas and electricity from the St Vincent de Paul emergency fund to deal with their immediate crisis. Following from this with the help from the CAB's fuel poverty project and our food bank support worker, we managed to get the clients debt repayments down to £3.66 and got their energy supplier agreed to provide the client with £100 on their gas and £50 on their electricity.

"I felt like a total let down to my kids as it's my job to make sure they have their basic needs met. It doesn't bear thinking about where I'd be if it wasn't for the CAB. I had a break down and they helped so that it didn't happen again."

Case 4

Client suffered from physical (epilepsy) and mental health problems (Asperger syndrome). They had had their ESA stopped as they could not attend their medical due to having a seizure, their DLA had also stopped. They were in the process of appealing their ESA and were applying for PIP when coming to the bureau. They were in rent arrears and had no money for electricity, gas or food. The client had also gone into an unarranged overdraft at their bank incurring a £6 charge per day.

They were given emergency funds from the St. Vincent de Paul fund, £30 for electricity and £10 for communication costs, and they were given a food bank referral. With the assistance of the CAB, its fuel poverty project and food bank support worker, it was arranged that the bank would refund the charges incurred by the client, and their debt was reduced so as to not incur any more charges. They also managed to secure a microwave from the local food bank so the client was able to cook her meals. The CAB workers built up enough trust with the client to allow them to go to their home and set up heating timers to better manage their energy costs and they also managed to get their energy supplier to credit their account with £50, which would be paid back after a few top ups at £3.65 per week.



There have been over **1,000** food bank referrals from the Stirling Citizens Advice Bureau in the last 18 months.

Unfortunately in recent years, food banks have become an important part of local communities. Citizens Advice Bureaux have taken on a key role in this service providing temporary relief to those most in need. In the Stirling CAB there have been over 1,000 cases of food bank referrals in the last 18 months. This sum makes up approximately two-thirds of all food bank referrals to our local food bank, Start-Up Stirling.

To examine the root causes of these referrals, we carried out an analysis of a sample of 267 Stirling Citizens Advice Bureau cases between 01/04/2014 and 13/05/2015. What this revealed was that in 77.9% of cases involving clients referred to foodbanks in the Stirling area, budgeting difficulties were cited as one, if not the main reason for their need for a referral.

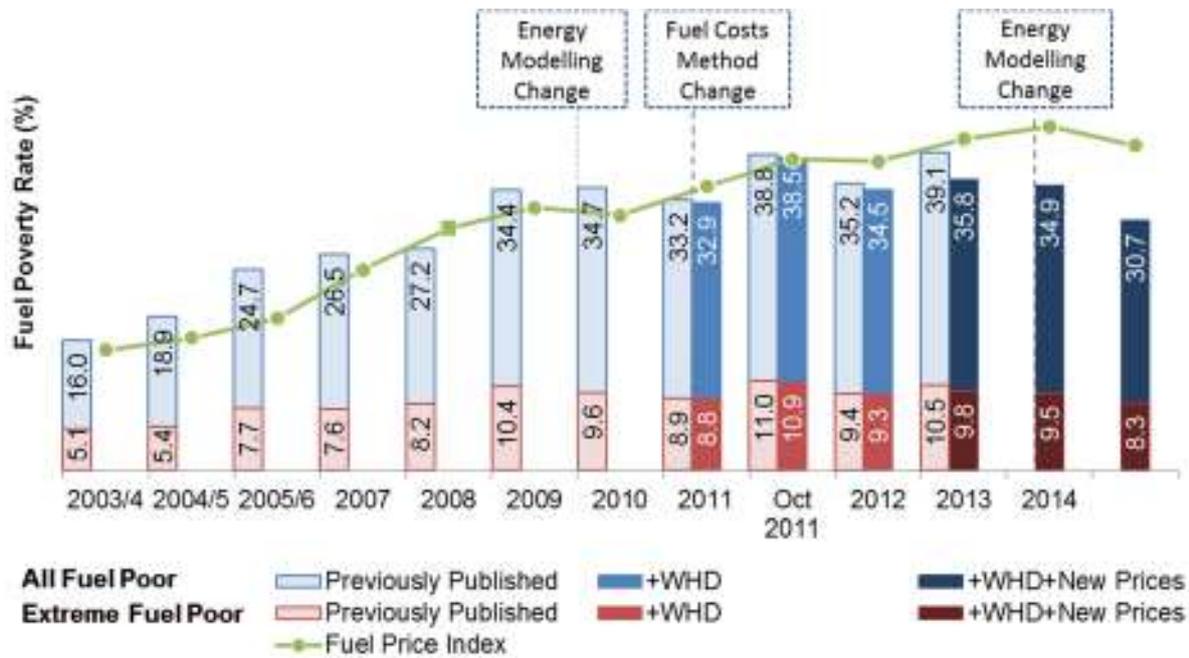
77.9% of food bank referrals being due to 'budgeting reasons.'

One particular area of interest for us as a bureau, was how prevalent fuel poverty was in these referrals, what difficulties they faced and what could we do to try and break the cycle of dependency.

The term fuel poverty is applied when any person spends over 10% of their income on fuel use, if this number rises to 20% they are considered to be in extreme fuel poverty. The recently published figures in the Scottish House Condition Survey 2015 estimated that 30.7% (roughly 748,000) households were in fuel poverty and 8.3% (roughly 203,000) households were in extreme fuel poverty. This showed a 4% decrease on the previous year's fuel poverty figures (34.9%), and a 1.2% fall in those deemed to be in extreme fuel poverty. In their analysis, they attributed this reduction to a combination of the drop in cost for domestic fuels (2.3 percentage points), improvements in energy efficiency performance (1.3 points) and the remaining 0.6 percentage points was attributed to a rise in household incomes.

Roughly 748,000 (30.7%) households in Scotland are in fuel poverty, according to the 2015 Scottish House Condition Survey.

Fuel Poverty and Extreme Fuel Poverty since 2003/4



WHD – Warm Home Discount; New Prices – Price sources were adjusted to reflect more localised prices instead of UK averages (source: Scottish House Condition Survey 2015: Key Findings)

However, if you were to look back to 2003, there has been a huge increase in the number of households encountering fuel poverty. Using the previous method of calculating fuel poverty, there had been a 13.1 percentage point increase between 2003 and 2013 (the last year this method was used), from 16% to 39.1%. In terms of extreme fuel poverty, the figure increased from 5.1% in 2003 to the latest figure of 10.5% in 2013.

In Stirling, the number of fuel poor has risen considerably from 21% in 2006, to 34% in 2014 (the most recent figures), although those deemed to be in extreme fuel poverty has remained roughly the same at 10%. The 2014 figures would translate to roughly 12,900 households in



In 2014, roughly 12,900 (34%) of households in Stirling are in fuel poverty.

the Stirling area in fuel poverty and 3,800 in extreme fuel poverty. This puts Stirling just below the national average in Scotland for fuel poverty (34.9%) and equal in terms of extreme fuel poverty (10%).

One possible reason for this is that rural populations are usually affected by fuel poverty proportionately higher than in urban areas. This is due to rural communities remaining off the gas grid, therefore heavily reliant on LPG and oil for heating homes. Evidence from the bureau showed that there is a minimum of £200 you must spend in order to have your gas tank filled. In addition to this, houses in rural Stirling tend to be of older designs and less energy efficient, therefore adding to energy costs. With the rural population of the Stirling Local Authority area put at around 35% (Stirling Council), this has made our outreach programs particularly important for those in financial difficulty.

What all this means is that many households in Stirling and across Scotland are struggling to heat their homes and therefore suffering the knock-on effect of finding difficulty having enough money left over to put food on the table. So this is increasingly leading to a choice between energy and food and, in many cases, it is exacerbated by an apparent inability to budget and shortcomings in financial literacy.

Although food banks offer some short term assistance it is common for Stirling CAB to see clients repeatedly facing similar issues, either unwilling to use, or unaware of the help available to them. This is highlighted further in an analysis of food bank referrals from the Stirling CAB, where we found that at least 27% of our clients using the food bank, were in need of repeat referrals, the food banks own analysis found this figure to be over 50%. In many cases, our clients would have an appointment set up with our Money Advice project to help them with budgeting costs. However, about 95% of clients with scheduled appointments with the Money Advice project did not turn up.

At least 27% of food bank clients from the CAB are repeat referrals.

There has been some improvements made in this area recently as the Bureau secured funding from the Bank of Scotland Foundation to place access for CAB crisis intervention advice at the Stirling food banks, the frontline for crisis food intervention. The worker is currently available at the 3 crisis food bank collections sites in Stirling (Hillpark, St Columba's Church, and the Ochil Centre). Although in its infancy, this project is proving extremely successful. Proximity and co-delivery has been shown to be key to reducing the holes in the safety net and addressing social drift. As stated, with our previous model, there was a 95% no show for

advice post-referral, in the first 2 months of operation, the food bank advice project reports in excess of 80% of clients engaging with post-referral advice.

The first 2 months of the food bank advice project has seen a rise from 5% to 80% in clients engaging with post-referral advice.

What this has proven is that simply signposting clients to other services clearly does not work and the significant majority of service users lack the capacity to be easily informed, enabled and empowered to break the cycle of food bank dependency. As stated previously, food bank figures show that more than half are

repeat referrals. In order to analyse the root causes of these referrals we decided to carry out a study into them with a focus primarily on budgeting and issues surrounding fuel poverty.

Therefore, we at the Stirling CAB carried out a questionnaire to those requiring food bank referrals in the 6 months between April and October 2016. Clients were asked 9 questions ranging from 'do you currently have a bank account', to 'have you had to go without electricity or gas in the past 6 months?' (Appendix 1). There were 90 respondents to the questionnaire and their responses pointed to a clear correlation between food and fuel poverty.



50%

Had gone without electricity/gas in the last 6 months because they had been unable to afford it

Of this 50%, the following is the number of occasions they had their supply cut off;



ONCE (33%)



TWICE (23%)

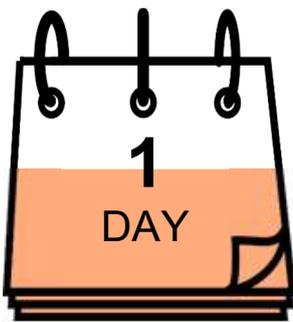


3-5 TIMES (28%)



MORE THAN 5 TIMES (15%)

And this is for how long these clients had to go without electricity/gas;



53%



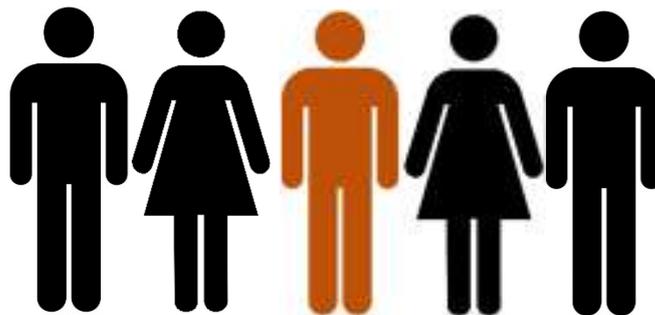
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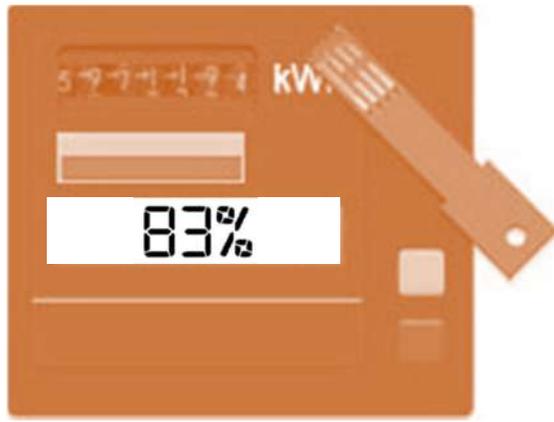
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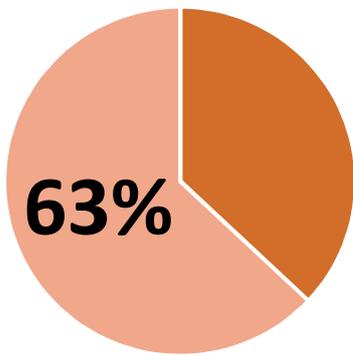
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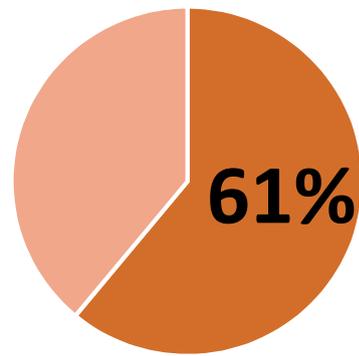
1 in 5 do not have a bank account



Of those questioned had a Prepayment Meter providing their electricity/gas.



Percentage of clients who don't use direct debits or standing orders for ANY type of bill.



Percentage of clients who feel that they would benefit from having access to budgeting/debt advice at food banks.

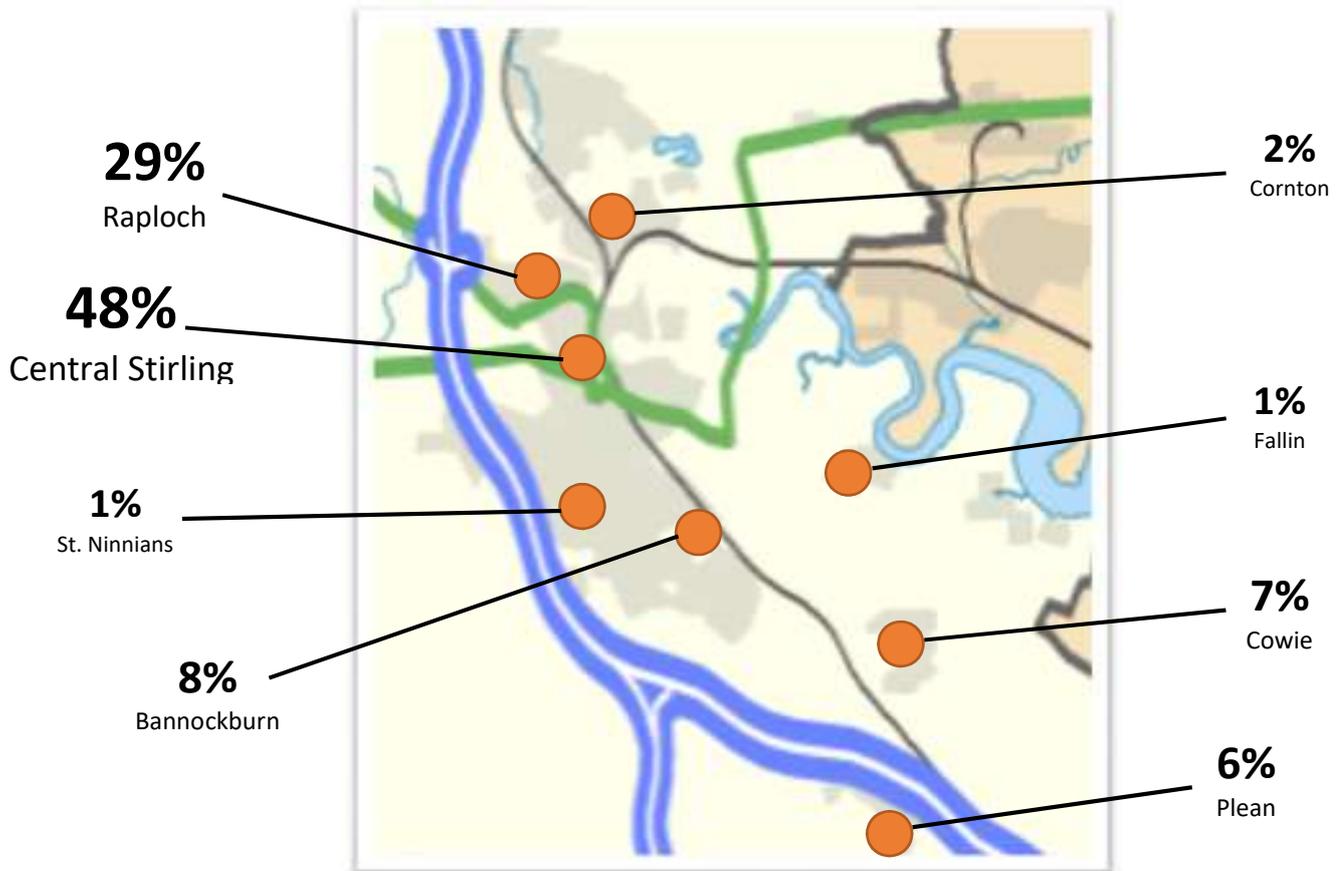
36%

Respondents said that it costs them to get to their nearest food bank.



48% of clients have to take some other form of transport than walking or cycling to get to the food bank.

Most convenient location for food banks for clients



What first jumped out from the responses was that 50% of respondents had had to go without electricity or gas during the previous 6 months. Further to this, of this 50%, two-thirds experienced this on more than one occasion (66%) and in 47% of cases, the clients supply had been cut off for more than a day and in 16% of cases for more than a week.

Reasons why clients may have found themselves in this position can be found in the responses to some of the other questions in the survey. For instance, 1 in 5 respondents stated that they do not have a bank account and 63% replied that they don't use Direct Debits or Standing Orders to pay bills. Added to this, 83% said that they pay their electricity/gas bills through a prepayment meter which has been proven to cost on average £300 a year more than if paid by direct debit (Competition and Markets Authority, March 2016).

£300 is the average amount extra customers pay per year when using a prepayment meter as opposed to direct debit.

Importantly, in addition to these findings, 61% of respondents felt that they would benefit from having access to budgeting/debt advice at local food banks. And there was also found to be demand for more localised food banks as 36% of clients incur costs in order to get to the nearest food bank and 48% need to take a form of transport other than simply walking or cycling. The highest demand for a food bank was found for Central Stirling (48%), followed by the Raploch (29%), this is unsurprising as the clients themselves carried out the survey in the bureau, which is located in Central Stirling.

The work we have carried out highlights a clear correlation between food and fuel poverty, and the cycle of dependency surrounding this. If we were able to address the causes of food and fuel poverty at the root of our client's financial issues, we could break this cycle, empower clients and reduce the demand on food banks. One example of how this could be done would be to get clients set up with a basic bank account and set up direct debits to pay for their fuel costs which would potentially save them around £300 per year, giving them the extra financial capacity to cover their food costs. By building upon the model we have been running over the past 2 months of having access to financial advice through CAB workers in food banks, we could reach many more clients than previous methods.

References

Scottish Government. (2016). Scottish House Condition Survey. [ONLINE] Available at: <http://www.gov.scot/Topics/Statistics/SHCS> [Accessed 10/11/2016]

Stirling Council (2015). Rural Stirling Statistics. [ONLINE] Available at: http://www.stirling.gov.uk/__documents/temporary-uploads/employment,-community-_and_-youth/communitiesteam_outcomes_partners_ruralevidence.pdf [Accessed 10/11/2016]

Appendix 1: Food Bank Questionnaire

1. **Do you currently have a bank account?**

- Yes
 No
 Prefer Not to Answer

2. **Do you currently pay any of the below by direct debit or by Standing Order?**

- Electricity
 Gas
 Rent
 Mobile/Internet
 Other
 None
 Prefer Not to Answer

3. **Do you currently pay your electricity/gas bills through a pre-payment meter?**

- Yes
 No
 Prefer Not to Answer

4. **How many times in the past 6 months, have you had to go without electricity/gas because you have been unable to afford to top up the meter?**

- Never
 Once
 Twice
 3-5 occasions
 More than 5 occasions
 Prefer Not to Answer

5. **If you answer yes to the above, how long was your supply cut off for?**

- N/A
 A day
 Up to a week
 1 – 2 weeks
 More than 2 weeks
 Prefer Not to Answer

6. **Do you feel that you would benefit from having access to budgeting/debt advice at food banks?**

- Yes
 No
 Prefer Not to Answer

7. **If you had the choice, where would be most convenient for you to visit your local food bank?**

- Balfron
 Bannockburn
 Callander
 Central Stirling
 Cornton
 Cowie
 Fallin
 Killin
 Plean
 Raploch
 Top of the Town
 Prefer Not to Answer

8. **What mode of transportation do you intend to use when travelling to the food bank?**

- On foot/Cycle
 Bus
 Car
 Taxi
 Prefer Not to Answer

9. **Would you incur any costs when visiting a food bank, and if so, how much would it cost you to travel there and back?**

- None
 Up to £5
 £5 - £10
 £10+
 Prefer Not to Answer

Stirling & District Citizens Advice Bureau is a member of The Scottish Association of Citizens Advice Bureaux: Scotland's largest independent advice network. CAB advice services are delivered using service points throughout Scotland, from the islands to city centres.

The CAB Service aims: to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively and equally to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The CAB Service is independent and provides free, confidential and impartial advice to everybody regardless of age, disability, gender, race, religion and belief and sexual orientation.

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