

CA Northumberland - A holistic approach to energy, debt and welfare advice to address the cost of living crisis

Funding GDN(s)	Northern Gas Networks
For Collaborative VCMA Projects:	Role of GDN(s) N/A
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Total cost (£k)	*detailed separately
Total VCMA funding required (£k)	*detailed separately

1. Problem(s)

Northumberland is a vast area in the north east of England and County-wide statistics can mask the extreme deprivation experienced in the poorest urban and rural settlements there. However notwithstanding this anomaly, the data in the June 2022 report, *Research on Vulnerable Customer Groups for Northern Gas Networks* supports the view that the County has a strong claim on additional resources to combat the effects of fuel poverty on its vulnerable households.

Using the report's classification of vulnerability as:

- Rural (e.g. due to isolation and lack of accessible services)
- Mental Health and Wellbeing (including factors such as depression, dementia and learning disabilities)
- Physical Health (e.g. impairment of vision or hearing or other limiting health conditions)
- Financial (e.g. low pay or unemployment)
- Other (e.g. homelessness or language difficulties)

The report clearly demonstrates that Northumberland has:

- Highest proportion of 85yrs + in North Tyne Patch – 3%
- Highest %age increase in 85+ projected to 2035
- 6th most sparse population across whole of network area
- Longest average journey time to services in North Tyne Patch by walk, public transport, cycle and car.
- Highest number of dementia cases and highest number of adults gaining support for learning disability in North Tyne Patch
- Highest number of cases of Hypertension and Depression
- Highest %age of Disability Living Allowance Claimants
- Highest %age of Excess Winter Deaths

Despite the masking effect mentioned earlier, Northumberland is still ranked worst in Median Annual Wages.

The table below shows the summary position across five major factors of vulnerability and clearly illustrates the County's recurring position of concern.

Rank (1=worst affected)	% age 65+	Long term health problem or disability	Fuel Poverty	Benefits Claimant Count	% with No Qualifications
1	Leeds	County Durham	Leeds	Leeds	Bradford
2	County Durham	Leeds	Bradford	Bradford	Leeds
3	East Riding	Bradford	County Durham	County Durham	County Durham
4	Bradford	Wakefield	Kirklees	Kirklees	Kirklees
5	Northumberland	Kirklees	Wakefield	Hull	Newcastle
6	Kirklees	Sunderland	Hull	Newcastle	Hull
7	Wakefield	Northumberland	East Riding	Sunderland	Sunderland
8	Sunderland	East Riding	Newcastle	Wakefield	Wakefield
9	Newcastle	Newcastle	Northumberland	Northumberland	East Riding
10	North Tyneside	Hull	Sunderland	Gateshead	Northumberland

“Places that emerge prominently in the rankings based both on concentration of, and total numbers affected by, vulnerabilities are likely to be key areas for consideration both in terms of ensuring that service delivery is aware of challenges people may face, and in relation to targeting of potential support. The places that most meet these criteria of having high numbers and proportions of people facing vulnerability challenges are ... Northumberland and the East Riding of Yorkshire are the two more rural districts that are closest to fitting the bill.”

This body of evidence, along with their experience of huge demand in services - 411% increase in clients with utilities/communications issues; 805% increase in clients requiring charitable support/food banks, supports the belief that more needs to be done to support vulnerable households in the County. This project has been developed to address those most pressing areas of need.

Solution

Citizens Advice (CA) Northumberland have helped more than 4,000 clients with more than 22,000 issues since 1st April 2023. Their help and support is delivered through face to face

interview, telephone, digital and virtual conversations and includes end-to-end casework as required.

They have been the foremost provider of energy advice in the County for more than 10 years and through collaboration with Northumberland County Council have identified priority wards in the county that suffer most from factors related to fuel poverty.

They have Focused on wards with:

- The highest proportion of households with income of below £20k/annum
- That have the highest levels of hospital admissions and excess winter deaths
- Where more than 1/3 of homes are estimated to have EPC below band C,

This approach has highlighted wards, for example Hirst, Newbiggin Central & East, Isabella, Croft, Ashington Central and Cowpen - all urban/coastal settlements and will target the delivery of advice directly into vulnerable households in these communities. They have an established track record of targeted support into these communities – our historic data shows that more than 30% of our general advice beneficiaries live in the 10 worst affected wards in the county.

2. Scope and Objectives

The project's scope and objectives are to address, mitigate and help alleviate fuel poverty for Northumberland residents, particularly those living in vulnerable situations, in order to end the cycle of impoverishment. By intervening at the earliest point to support households to make short and long term changes to their energy consumption behaviour, we hope to lessen the risk of crisis situations occurring and improve their overall quality of life, health and wellbeing. The project will extend the existing energy offer with wider and more holistic support by employing three additional staff. In addition, a supportive discretionary hardship fund to facilitate emergency measures, particularly those with a Cancer diagnosis - for these clients in particular, there are few sources of financial support, making dealing with a life changing condition particularly difficult.

Through delivery of these objectives, we will enable a range of benefits for local households with a particular emphasis on reaching those most vulnerable and eligible for the Priority Services Membership. Not only will beneficiaries have increased capacity and resilience to manage debt and energy issues, but they will also have improved overall financial well-being through financial gain, and increased awareness of wider services and entitlements to support them moving forward, increasing physical and mental health outcomes.

Access to the supportive hardship fund will enable emergency measures to be put in place where required through provision of emergency fuel vouchers and heating sources, whilst access to funding for insolvency fees will enable large amounts of debt write off for clients,

allowing the opportunity to reduce the burden of debt and its impact on health and well-being.

2.1 The objectives of this initiative are:

- To improve health and wellbeing
- To reduce fuel poverty
- To address Rural vulnerability
- To increase awareness and registrations of the PSR

2.2 Scope

The project will provide the following additional resources:

- 1 FTE Energy Caseworker
- 1 FTE Money Advice Caseworker
- 1 FTE Welfare Benefits Caseworker
- Associated additional management and technical supervision support as required to ensure effective delivery.

It is envisaged that these advisers will be working hand-in-hand with existing Energy Team to provide a specialised and tailored service to help those struggling with their benefit applications, and claims, and suffering welfare related hardship and poverty.

The Money Advice Service Caseworker would sit with the Energy Team, being on hand to support clients, Advisers and Caseworkers more effectively and more quickly with dedicated 1-2-1 money advice and budgeting support, including DRO and Bankruptcy fees. This will enable more clients to move forward with their lives, debt-free, increasing their mental health and well-being outcomes.

3. Why the Project is being funded through the VCMA

This project qualifies under the criteria for VCMA funding, as it will support vulnerable customers across the Northumberland locality, addressing fuel poverty as well as raising awareness of CO and the PSR. As the project has mental wellbeing and financial hardship themes, it aligns with NGN'S Vulnerability Strategy.

There will be no collaboration from other GDN's nor other funded sources.

3.1 Eligibility criteria

- This project has a positive SROI

- This project will support NGN’s Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of:
 - Financial hardship
 - Socio-demographic
 - Cultural
 - Rural Vulnerability
 - Temporary vulnerability
 - Mental Wellbeing themes
 - Medically Dependent on Energy
- Has defined outcomes as required
- Goes beyond NGN’s licence obligations and price control funded mechanisms

4. Evidence of stakeholder/customer support

Within the Northern Gas Networks region, we serve 2.7 million gas-using households. The socio-economic characteristics of our region mean that we operate in many communities that are amongst the most economically deprived in the whole country. This was a key factor in our prioritising engagement with vulnerable and hard-to-reach groups of customers, telling them about our services, about what we do and how we could improve.

Each year, we undertake analysis of all the insight we’ve heard in the previous year to prioritise those issues our stakeholders most want to engage on. Over the past 12-18 months, we’ve done this in a number of ways.

4.1 Customers in Vulnerable Situations (CIVS) Workshops

Asking our stakeholders what’s important – using our wide range of engagement mechanisms from strategic workshops to customer perceptions, we asked stakeholders to prioritise what is most important to them. Since 2019 we’ve held regular workshops with our stakeholders, on the subject of Customers In Vulnerable Situations (CIVS). This ensures that we are well informed to address the needs of customers across our network and through collaborative projects.

Stakeholder engagement throughout 2022, told us that fuel poverty and the choice between heating and eating is becoming more prevalent. The energy and cost of living crises have further compounded this issue. This project provides a solution to helping those customers who are financially struggling and need extra help to address energy affordability. The project fully aligns with the need to help vulnerable customers in fuel poverty.

Recent social indicator mapping research carried out in June 2022, indicated that Bradford, Hull, Scarborough, South Tyneside, and Sunderland were the top five places, to emerge as having the greatest concentration of vulnerabilities within NGN's network. This was based on a combination of the following vulnerability factors:

- Fuel poverty
- Benefit claims
- No qualifications
- Long term health problem / disability

Our most recent stakeholder engagement during 2023 has informed us that financial hardship is still a key area of focus, alongside the health impacts associated with, or exacerbated by, living in cold and damp homes. Stakeholders also told us that increasing capacity for support within services would be key to addressing the immediate and longer term impacts of fuel poverty and energy affordability. This project addresses this need and ensures additional capacity to support households who may be at risk, through a well-established and trusted advice service.

Each year we use our annual Customer Perceptions Research to understand the priorities of our customers. Amongst a set of general tracker questions i.e., same questions that are asked year on year, the evidence in the most recent research (March 2023), indicated that keeping bills as low as possible ranked more highly, than providing a safe and reliable supply of gas. This is a clear indication, as to how concerned customers are about the cost of energy and the subsequent impact this will have on other bills. Customers were also asked to prioritise the list of vulnerabilities listed below:

- Mental wellbeing
- Rurality
- Temporary vulnerability
- Physical challenges
- Financial Hardship

This was the order of priority from the customers surveyed:

- Financial Hardship
- Physical challenges
- Mental wellbeing
- Rurality
- Temporary vulnerability

Financial hardship continued to be the dimension of vulnerability that most customers prioritised, with more customers in the most recent survey selecting this as their top priority. Physical challenges were second, closely followed by Mental well-being third. Rurality and Temporary vulnerability were ranked fourth and fifth.

Very recent (Autumn 2023) Bespoke Vulnerability Stakeholder Mapping research identified categories of stakeholders that are hard to reach, this included:

- People living with a disability

- Senior citizens with long term conditions
- Pregnancy and maternity
- Mental health

Health conditions which are prevalent in the NGN region are:

- Cancer and chronic kidney disease
- Musculoskeletal conditions
- Respiratory
- Mental health

Through the research carried out, the findings show that the 5 original NGN vulnerability categories have now evolved to 10 categories. These are:

- Physical challenges, inclusive of communication issues, physical space
- Mental wellbeing
- Financial hardship
- Temporary vulnerability – including post hospital recovery and pregnancy / maternity
- Socio Demographic
- Household composition
- Rural Vulnerability
- Accessibility Including language
- Medical Dependant on Energy
- Cultural

4.2 Customer Engagement Group (CEG)

This group provides an independent oversight into the actions we take to support our customers in vulnerable situations (CIVS). Checking we've got it right – using a range of engagement mechanisms to assess and challenge our response to stakeholder feedback, ensuring we are responding in the right way. This has offered us robust challenges into how we deal with customers in vulnerable situations which meets the needs of our stakeholders.

4.3 Vulnerability Strategy AAA Framework

Within our vulnerability strategy we have developed, with the help of our stakeholders, the 'AAA' framework. This helps us support our customers in vulnerable situations. Awareness, Accessibility and Action. By adapting this principles-based approach into our AAA framework, we will ensure that all customers are treated fairly and consistently. The themes of rural and financial vulnerability within the project, align to NGN's Vulnerability Strategy.

5. Outcomes, associated actions, and success criteria

5.1 Outcomes

The project will provide:

- A single point of contact for inbound enquiries from individuals, support workers and other collaborative partners
- Advice to beneficiaries affected by or at risk of fuel poverty using the most appropriate channel for their individual needs to maximise engagement
- Income maximisation via benefit checks by telephone, digital, face to face, and home visits, as appropriate
- Financial capability support in terms of saving money on household bills, energy tariff checks, Warm Home Discount eligibility and budgeting leading to longer term financial stability
- Budgeting advice, including drafting of standard financial statements/income and expenditure details to support grant applications to energy trusts and assisting those who struggle to afford to work to a variable income
- Advice and assistance on debt solutions such as Debt Relief Orders, Bankruptcy and helping clients to set up affordable payment plans including direct negotiation with creditors, Fuel Direct, and energy suppliers and write off requests in the case of severe hardship
- Energy grant fund applications to support debt write off, enable emergency fuel provision, and small and/or large-scale energy efficiency measures
- Advocacy on behalf of clients, and resolution of Energy Supplier complaints and disputes, including supporting cases with the Energy Ombudsman
- In depth, tailored home energy efficiency advice, including knowledge around correct use of specific and/or complex heating systems, and management of complicated tariffs, such as Economy 7 and 10
- Signposting to and raising awareness of additional services, as well as supporting supplier obligations for vulnerable households including Priority Services Register and Mental Health Breathing Space
- The Welfare Advice Caseworker role will extend the offer of community-based help with identification of client needs, Quick Benefit Checks through to helping with completion of complicated benefit application forms and supporting the client journey through to maximising income and benefit appeals processes
- Provision of additional hardship funds for eligible households experiencing vulnerability
- Referral and signposting to appropriate internal and external services to address wider support needs
- 200 PSR referrals
- 200 CO awareness sessions carried out
- Receipt of charitable awards (including energy grants, emergency fuel vouchers, etc.)
- Health and well-being outcomes
- Hardship fund awards/outcomes
- Client profiling

5.2 Success criteria

- Provide targeted advice to 540 unique households
- Deliver fuel poverty assessments to 540 households
- Deliver energy efficiency assessments to 540 households
- Raise awareness and educate 100% of households about PSR
- Offer budgeting support to 540 households
- Recorded financial gains (income maximisation and bill saving) and debt write off totalling £500,000

6. Project Partners and third parties involved

CA Northumberland work within a wide range of partnerships including:

- Macmillan Advice Team, whose contract covers Northumberland and North Tyneside, supporting vulnerable clients with life-changing short and long-term conditions
- Northern Powergrid - to support clients at risk of fuel poverty, in financial crisis, with immediate energy efficiency support and advice, as well as an offer of short-term help with emergency fuel vouchers, for clients with Pre-Payment Meters (PPMs)
- Energy Redress
- Carbon Monoxide Advice Programme (CMAP)
- SEGB - Smart Meter advice and awareness, supported through our long-standing relationship with the NEA
- Northumberland Communities Together (NCT) through Northumberland County Council (NCC)
- Community Action Northumberland (CAN)

7. Potential for new learning

Any learning will be shared with stakeholders, including GDN's, DNO's and water companies.

8. Scale of VCMA Project and SROI calculations

This project has a positive SROI return.

VCMA Project start and end date

January 2024-March 2025

Geographic area

Northumberland

Approved by

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