



Impact of COVID-19 on the advice sought from the Scottish Citizens Advice Network – April 2020

12 May 2020

Introduction

This is the second monthly summary of data from the Scottish Citizens Advice Network since the COVID-19 outbreak. It shows data from Citizens Advice Bureaux around the country and our public advice site indicating notable shifts in the last month. It includes more detailed information on advice related to employment and social security as in the first monthly summary, but also includes new information on how people are being affected by the financial implications of the pandemic. This summary also includes Citizen Alerts submitted by individual bureaux which highlight the stories of real clients.

Some of the trends we identified between February and March have continued into April, such as employment advice becoming a larger proportion of all advice than debt-related advice. Other trends have flattened or reversed.

Advice provision has remained consistent from March through April, with the continuing demand for online advice provision.

In the period between 20 March and 20 April, our data shows a significant increase of more than 50% in terms of advice sought in relation to community care, as a proportion of all advice related to health and community care. Other significant increases can be seen in advice related to foodbanks, which now makes up over 50% of all charitable support related advice. and private rented sector property.

Key points

- > Demand for our advice continues in the current climate despite advice now being provided in different ways. While face to face advice provision has now ceased, the Citizens Advice Network in Scotland is still supporting substantial numbers of people with their advice needs during this difficult time whether this be over the phone or via our public advice site. This month we launched our National Helpline service, which has seen a considerable usage in a relatively short period of time.
- > Use of our public advice site during April has remained fairly consistent to what we observed in February-March. The type of advice sought throughout April has varied, at the start of the month the most common searches were related to employment, social security and COVID-19. However, by the end of April searches for advice in relation to housing were more common than COVID-19 specific ones.
- > Employment advice as a proportion of all advice has doubled from what was seen in March, with an average of 16% in April. In particular advice related to self-employment has increased within this. As the main form of government support for the self-employed is yet to go live this may play a part in the increases we have seen relating to self-employment.
- > Social Security advice provision remains high in April, but not abnormally so. Advice around Universal Credit remains the most sought after advice in terms of social security, however this has not changed significantly from March to April. What is concerning, is the increase of advice on crisis grants. In March we can see about 1 in 50 pieces of social security advice related to crisis grants, whereas in April that increased to more than 1 in 20.
- > In this second monthly report, we have included insights on the impact that the current situation has had on people's finances. We can see from the traffic to our public advice site that advice on managing finances fluctuates; with an increased spike at the beginning of April which decreased in the middle of month but was on upward trend by the end of April.
- > Between February and April, in proportion to all advice, we have observed a moderate increase in advice provided to people who are facing difficulty making payments. This is across a range of debts and arrears, but most notably housing. Since February, we have seen a significant drop in advice sought in relation to enforcement action for rent arrears, coinciding with the freeze on such enforcement which was introduced by the Scottish Government.
- > The Citizens Advice Network in Scotland is continuing to provide free, confidential and independent advice across Scotland during the COVID-19 pandemic. Advice can be accessed through your local Citizens Advice Bureaux which you can find at www.cas.org.uk/bureaux. You can also access advice online through our public advice site www.citizensadvice.org.uk/Scotland or through Scotland's Citizens Advice Helpline which is free to call on 0800 028 1456.

April 2020 - impact of COVID-19

All **59**
Citizens Advice Bureaux now
delivering phone and web-based advice



72,454
pieces of advice issued by local CABs



2,870
new clients looking for
finance/debt advice

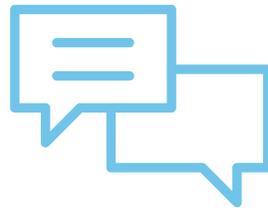


12,232
pieces of advice given in relation to debt
by local Citizens Advice Bureaux

Includes:

1,594 on council tax arrears

1,278 on credit, store and charge card debts

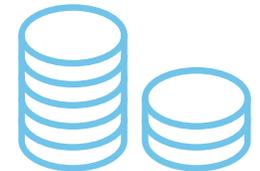
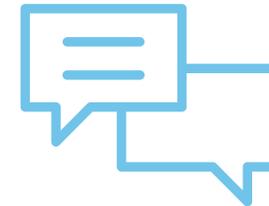


2,521
pieces of advice on financial and charitable support

Includes:

2,338 on food banks

805 on pensions



42%
of new finance/debt clients were
either employed or self-employed.



494,386
total visits to our online advice site
Advice for Scotland

44% increase on April 2019



Coronavirus - what it means for you' became
the most visited page on our online advice
site with

69,018
unique page views



161%
increase

What advice people are searching for online

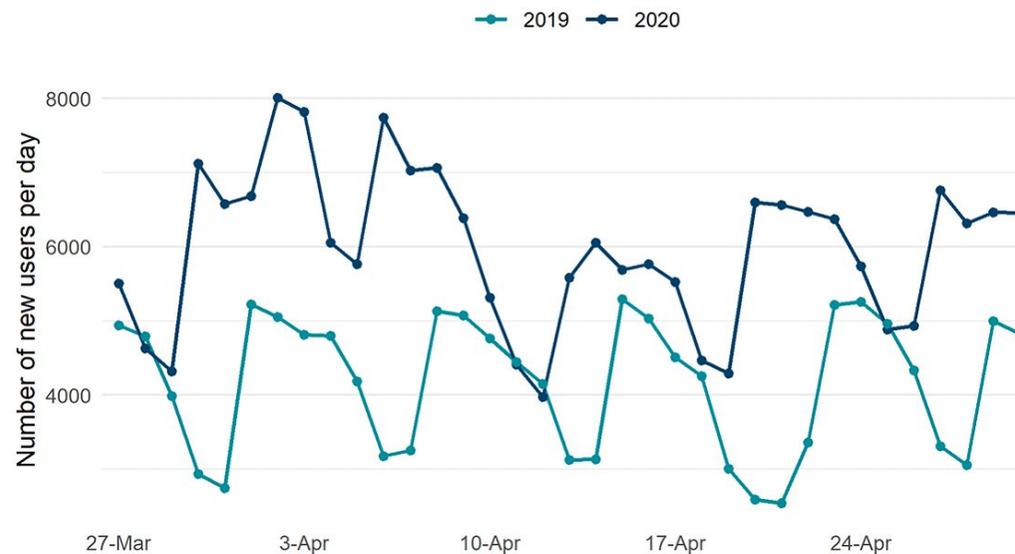
Compared to the same period a year ago, the surge in demand for online advice continued in April. The regular dramatic drops in visits coincide with where the weekends fell in both years. Allowing for the weekends falling on slightly different dates, we can see a higher number of visits to our site on every single comparable week day and weekend in April 2020, compared to 2019. There is a particularly high spike around the end of March/start of April, when we know that many people will have seen their payslips show a much lower figure than normal.

The pattern in Chart 2 shows new users, and this shows an almost identical pattern to the one above, suggesting that the increase in visits overall is from returning and new users.

Chart 1: Visits to the public advice site



Chart 2: New visitors to the public advice site



Visits to the “Coronavirus - what it means for you” page saw a sharp spike at the end of March, but dropped down in the last few weeks.

Chart 3: Visits to the “Coronavirus - what it means for you” page



Chart 4 Coronavirus webpages during April 2020 (from Top 25 ranked pages)

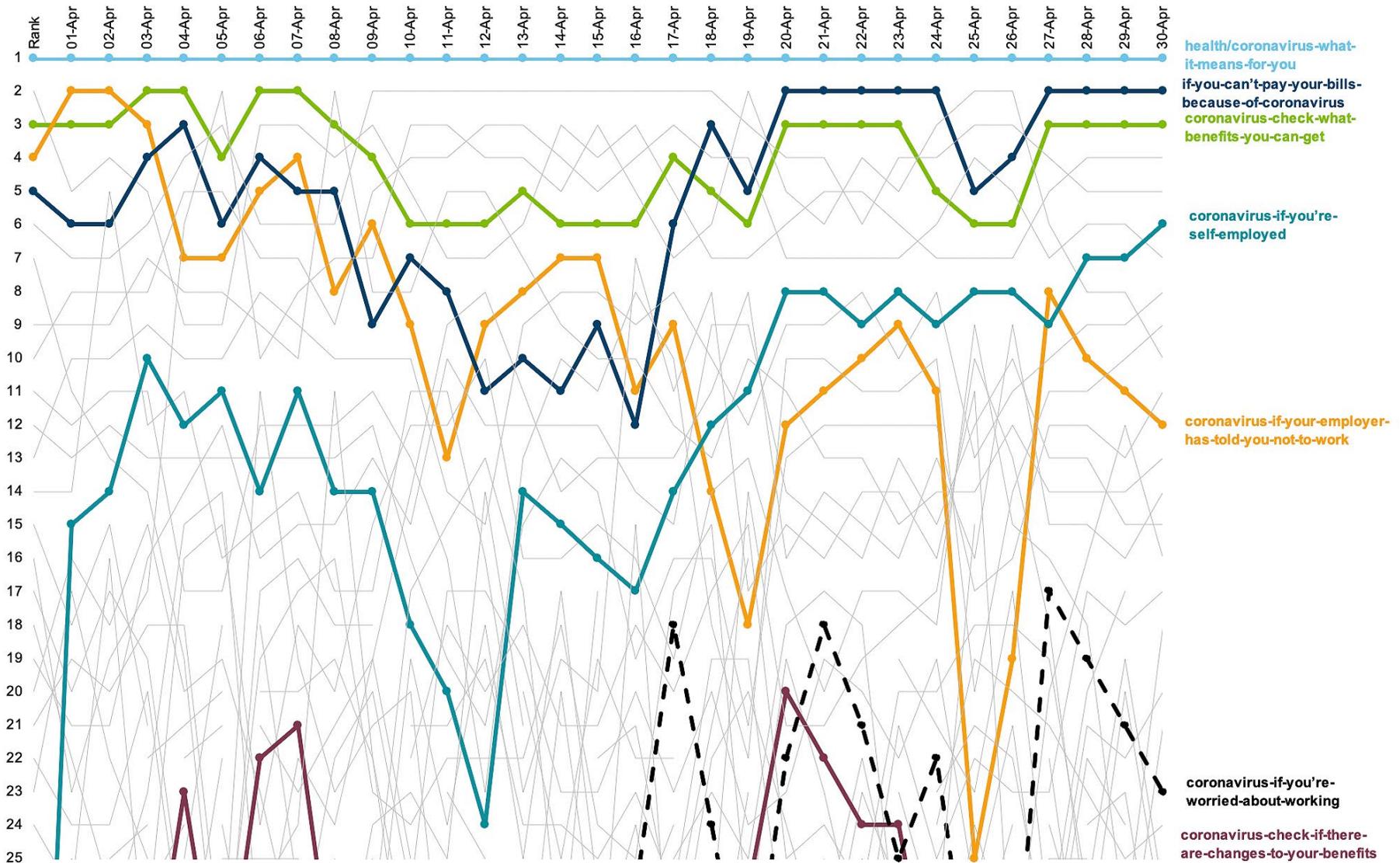


Chart 4 outlines the top 25 ranked web pages, by unique views, on our public advice site with the specific Coronavirus related pages highlighted. This shows that the page 'health/coronavirus- what it means for you' was continually ranked as the highest viewed page each day during April. In terms of pages related to coronavirus and what benefits you can get and if you can't pay your bills during coronavirus, while these daily views did dip during the course of the month by the end of April daily views had returned to the same level as the start of April. Daily page views relating to coronavirus if you're self-employed saw large increases during April.

As shown in the other charts, there was a spike in people's activity on our website around the end of March/start of April. The most common searches at the start of the month related to employment, social security and COVID-19, but that changed over the month with a drop in COVID related searches and financial queries taking third place. By the very end of April, housing related searches were more common than COVID specific ones.

Chart 5: Search terms used on the public advice advice site

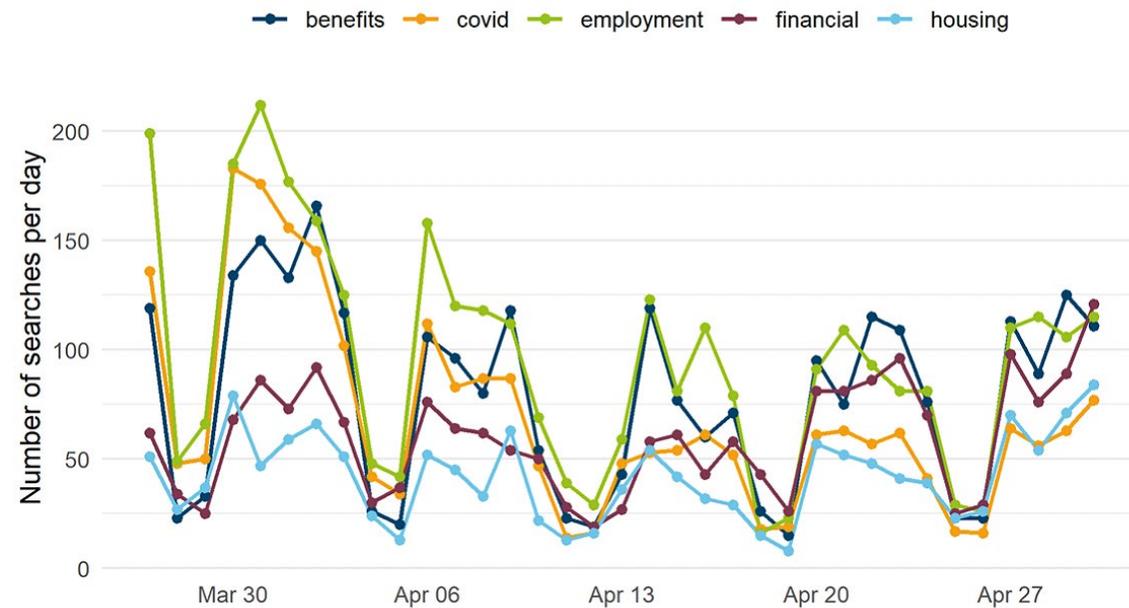
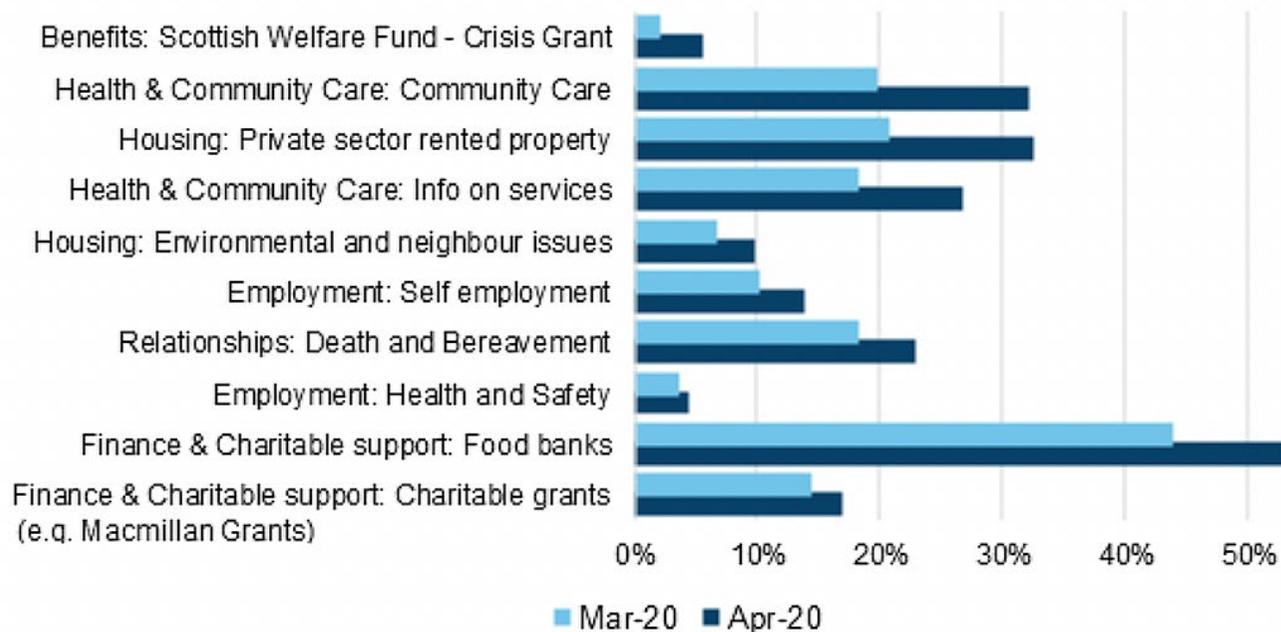


Chart 6 outlines the Top 10 advice areas showing the most notable changes between March and April 2020. Advice related to private rented sector property increased as a proportion of all housing-related advice for the second month in a row and food bank related advice now makes up more than 50% of all charitable support related advice. Advice on community care had grown by more than 50% between March and April, as a proportion of all health & community care advice.

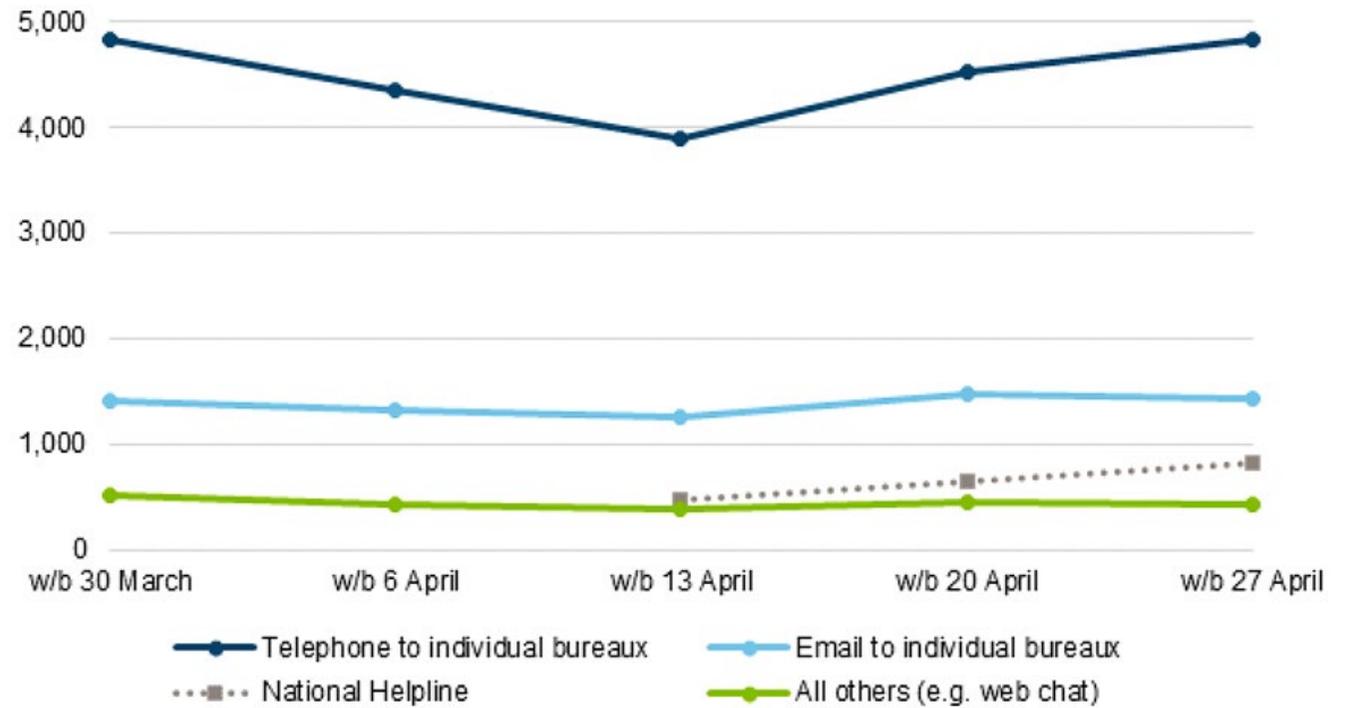
Chart 6: Top 10 shifts in proportion of advice provision March to April 2020 (in order of largest proportional change to the smallest)



Note: Chart 6 shows the ten advice sub-categories (e.g. 'Private rented sector property', 'Self employment') that have grown most as a proportion of their associated main advice category (e.g. 'Housing', 'Employment') in the last month. Advice sub-categories recorded less than 100 times in April 2020 are omitted.

After a small dip in enquiries to individual bureaux which coincided with the launch of the new national helpline in the middle of April, contacts to both have steadily increased in the weeks since.

Chart 7: Number of contacts, by top contact channels, across April 2020

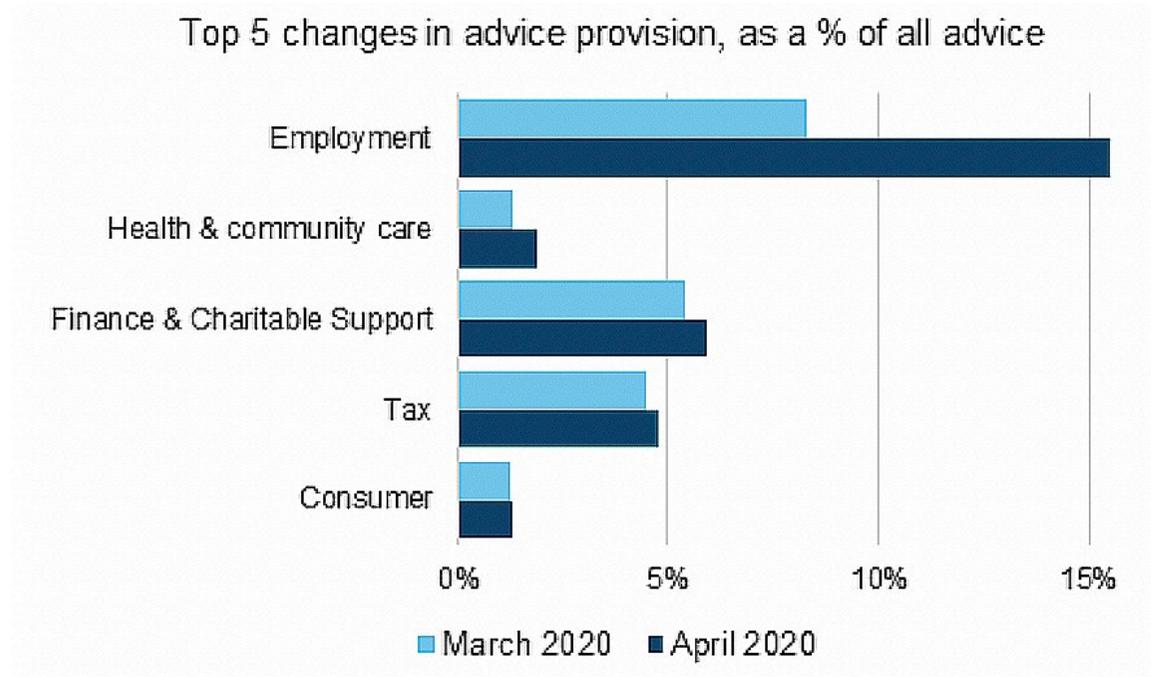


Data Evidence - employment & social security

1. Employment

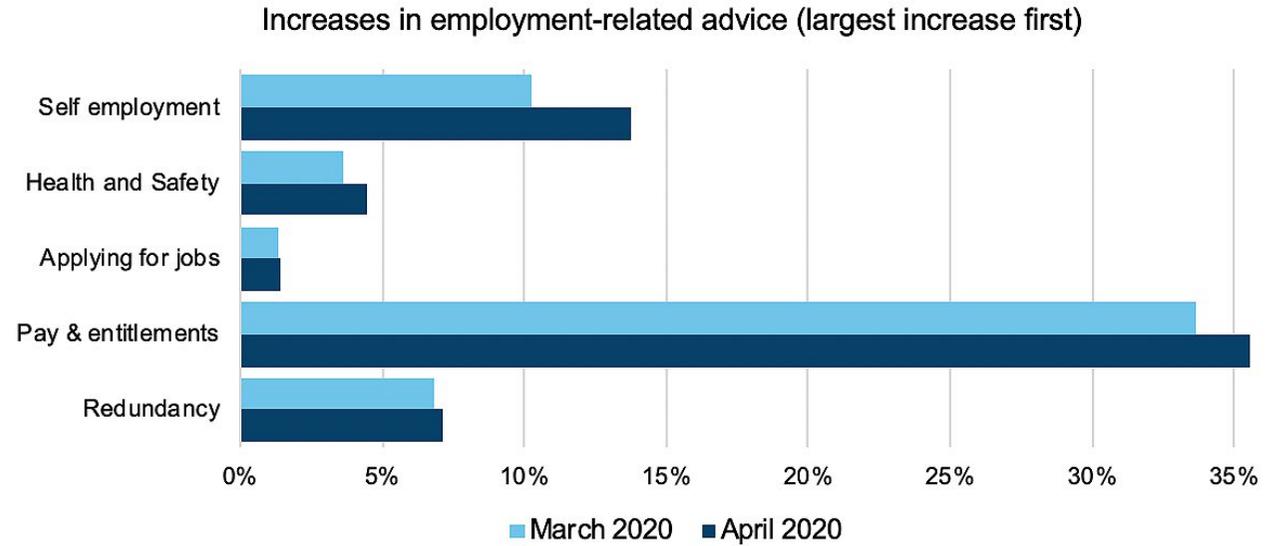
Employment advice as a proportion of all advice doubled between February and March (from 4% to 8%) and doubled again in April to an average of 16%. Social security advice has returned to what we could consider as close to “normal” levels – in February it made up 46% of all advice, and in April it averaged at 47% of all advice. However, if the increase in employment queries is related to the economic consequences of COVID-19, we may see further rises in social security advice queries in the future.

Chart 8: Change in advice category as % of all advice



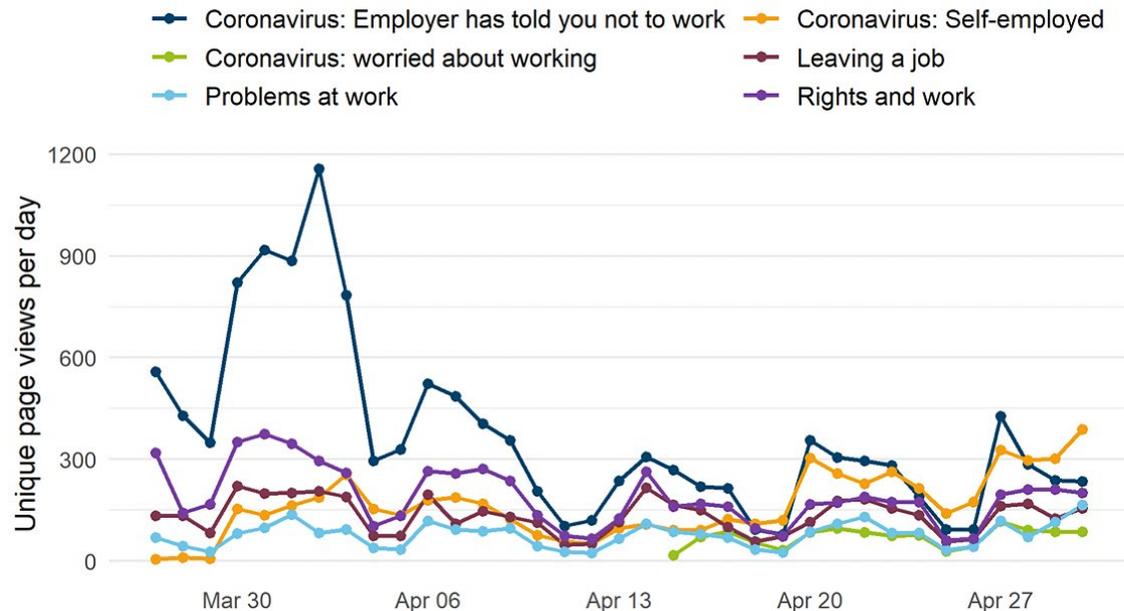
The rise in self-employment advice is unsurprising considering the main form of government support for this group is still to go live.

Chart 9: Changes in employment related advice



Online, we can see a similar rise in views to our “coronavirus: self-employed” page over the past month, along with a fall in views to our “coronavirus: employer has told you not to work” page. However views to the latter page are still amongst the highest of all employment-related pages.

Chart 10: Top employment-related pages visited on the public advice site

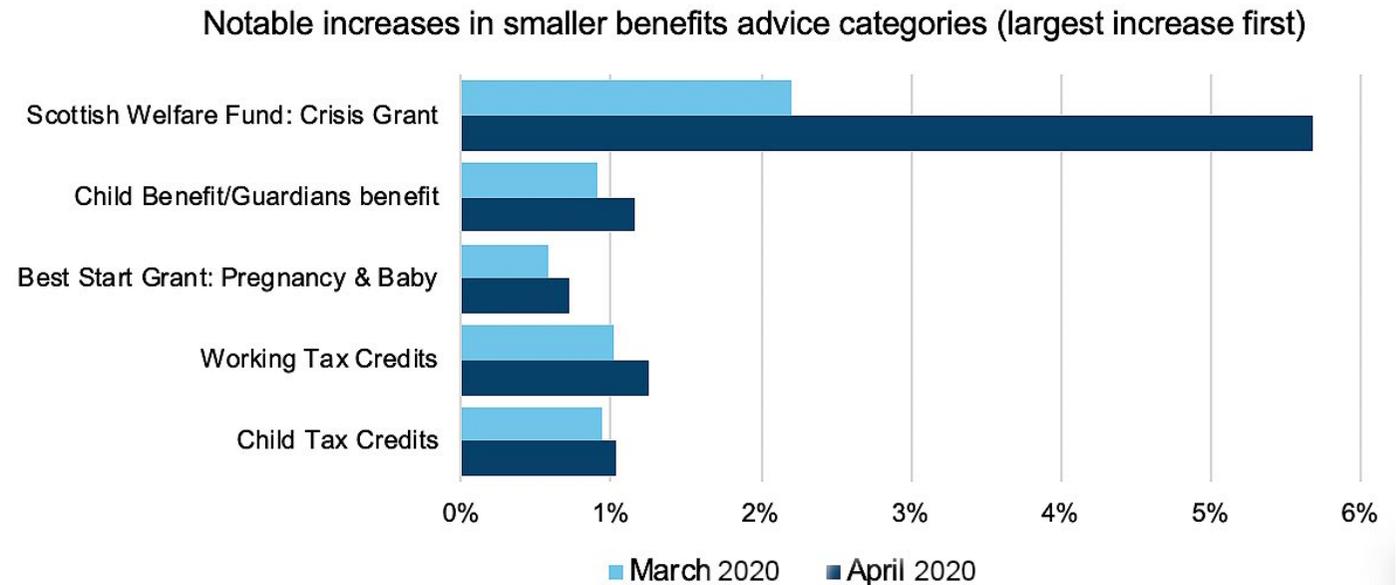


Data Evidence - employment & social security

2. Social security advice

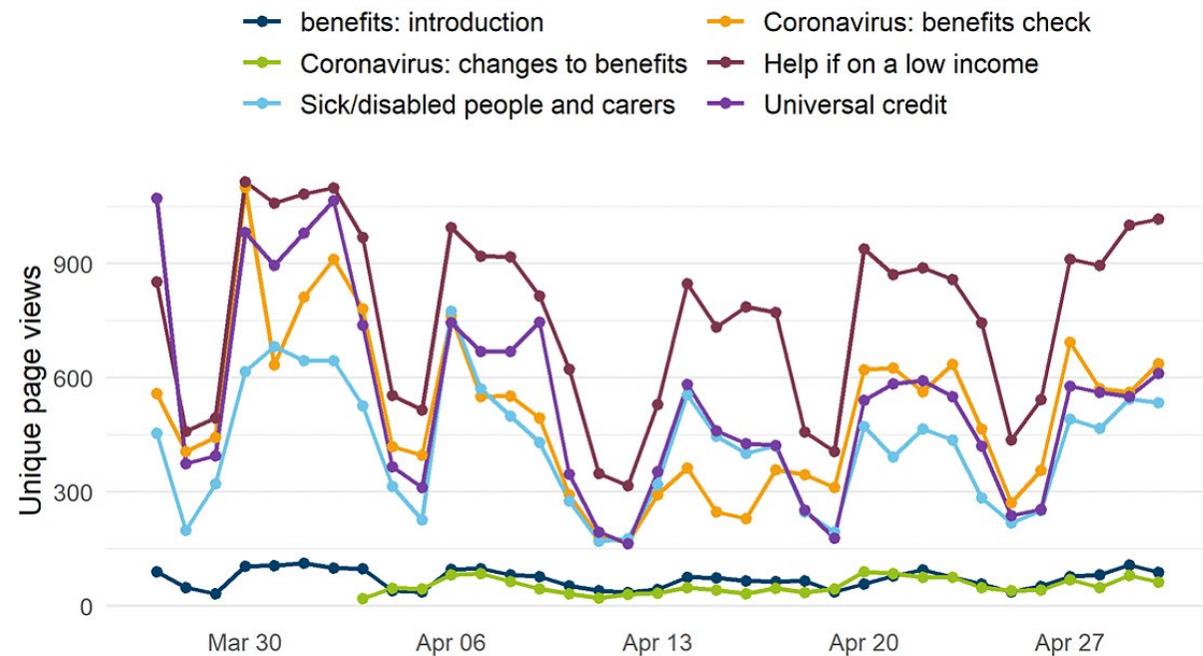
While advice on issues like Universal Credit is still among the most common type of social security advice, the large numbers of pieces of advice given did not show a notable month-to-month change in April. The notable increases in social security advice areas are only a few percentage points, but the increase in advice on crisis grants in particular is still concerning. In March we can see about 1 in 50 pieces of social security advice related to crisis grants, whereas in April that increased to more than 1 in 20.

Chart 11: Top advice topic changes, March to April 2020, by proportion of all advice provided in relevant top level advice category



As with all other charts based on website data, we can see that people are generally less likely to be seeking advice online at the weekend but that our “help if on a low income” page continued to receive the highest number of views throughout the month of all social security pages. Views of the “coronavirus: benefits check” and “universal credit” pages decreased over the month from a fairly high number at the start of the month.

Chart 12: Top social security related page visits



Comments

The continued rise in advice given on employment issues suggests ongoing uncertainty around workers' rights and entitlements, despite the significant and unprecedented levels of support announced by the government so far. The exponential rise in employment advice since February, as a proportion of all advice given, could mean:

- > some workers need help to understand the schemes and support available
- > some workers cannot access the schemes or support available, despite being eligible
- > some workers are ineligible for support and are falling through the gaps
- > some employers being unwilling or unable to furlough workers.

Advisers have submitted Citizens Alerts¹, which describe real bureaux cases, that show different clients facing all of these problems. This Citizens Alert shows a self-employed client struggling to make ends meet.

! Citizens ALERT “John has worked as a self-employed taxi driver for more than a decade. His wife receives state pension. Although John hopes he will be eligible for the Self-Employment Income Support Scheme (SEISS) when it goes live, John’s income is currently zero due to COVID-19. He applied for Universal Credit to see him through until the SEISS, but the couple are ineligible for any payment due to his wife’s state pension, which is considered income under Universal Credit. Until last year the couple would have had access to Pension Credit, entitling them to approximately a further £520 a month, but now the couple must survive on one person’s state pension alone until John can confirm his eligibility for, and access, the SEISS.”

Citizens Alerts also show us the range of social security issues people may be seeking advice for. Full-time students, for example, have struggled to access social security at all as they are generally ineligible for Universal Credit and the new contributions-based Jobseekers Allowance. The specific increase in advice on Scottish Welfare Fund Crisis Grants may not be related to issues with the Grants themselves, but an indication of increased need. Most Citizens Alerts mentioning Crisis Grants show clients unaware of the fund or how to access it, rather than seeking advice on a problem with the fund. However, this Citizen Alerts shows this is not always the case.

! Citizens ALERT “Neil was made redundant before Christmas, so claimed Universal Credit, while doing some self-employed work. However, the date of his last income was just within his April Universal Credit assessment period, and he’s now receiving no income from self-employed work. This meant he received no Universal Credit payment in April at all and his next payment isn’t due until the end of May. As Neil already took out an advance payment, he cannot apply for another one, and now has only £60 to last him for most of May. Neil had already tried to apply for a crisis grant, but when he contacted his local authority, Neil was told the grant would have to be paid back. This is incorrect, but despite the bureau adviser reassuring Neil this is not the case, he still didn’t want to apply. Neil is already paying back his Universal Credit advance payment and is behind on energy bills so explained he was too worried about accruing more debt he cannot afford to pay back.”

¹ All names are changed to preserve anonymity

Data Evidence - impact on people's finances

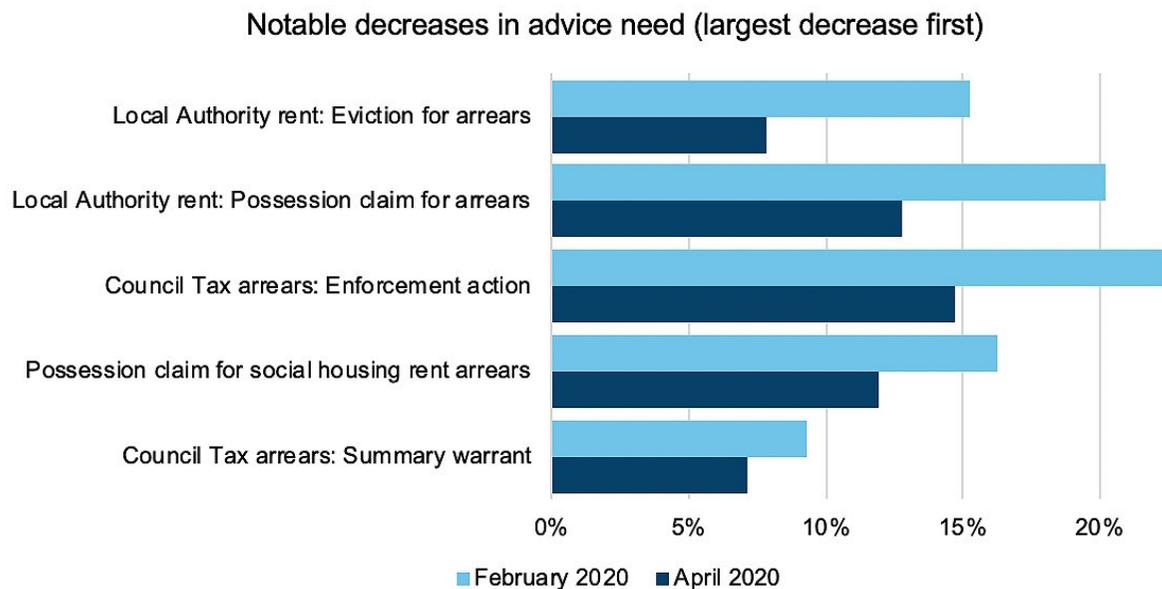
Between February and April, there is a modest proportionate increase in the advice provided to people who are having difficulty making payments across a range of mainly priority debts, most notably housing. It's likely this is connected to COVID-19 and the CAB network is starting to see clients experiencing a financial impact on their personal finances. We would expect to see this rise once support measures such as furloughing under the Coronavirus Job Retention Scheme and payment holidays offered by creditors start to be reduced or removed.

Chart 13: changes in advice needs for people having difficulty in making payments



This chart highlights a clear drop in enforcement action for rent and council tax arrears since February and is consistent with the freeze on such enforcement introduced by the Scottish Government as a means of mitigating the financial impact on people of COVID-19. However, when enforcement action re-starts, we expect to see these figures return to previous levels, if not to increase.

Chart 14: changes in advice need for people being pursued for local authority arrears



The two charts demonstrate that people are seeking information to manage their finances. Across all the pages, there was a spike in page views at the start of April which tailed off somewhat in the middle of the month around the Easter weekend but by the end of April was back on an upward trend. People are experiencing difficulties in their personal finances since lockdown began which these charts demonstrate. The support measures from Governments around protecting income and from creditors around payment breaks have helped many, though not all. However, when these support measures are removed or eased, more and more people will need help to manage their finances, and the demand for advice on maximising income and paying bills and/or debts will increase.

Chart 15a: visits to pages for advice on managing finances

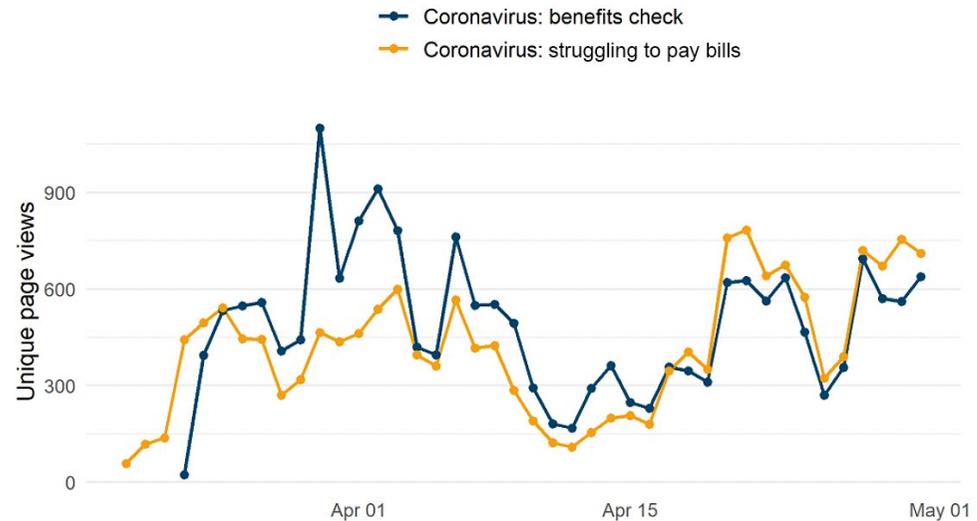
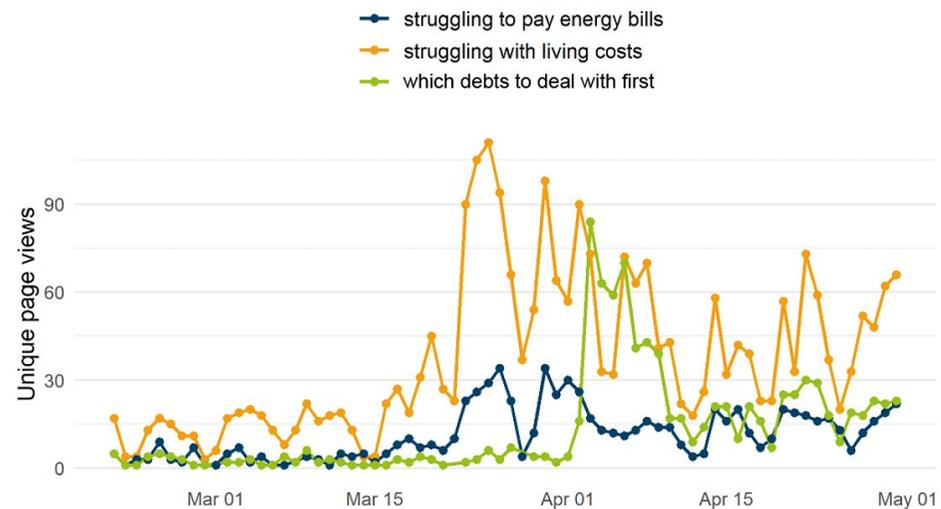


Chart 15b: visits to pages for advice on managing finances



Comments

COVID-19 is driving many people to seek online advice for managing income and expenditure while some people are beginning to need more in-depth money advice from the CAB network for debts and arrears. When financial shocks like this happen, there is a time lag between people seeking to understand/manage their situation and people seeking support from the CAB service because their financial circumstances have become problematic/unmanageable. In some cases people may wait more than a year before seeking help.

While there has been upheaval to individual and household incomes, the support measures from Governments, regulators and from creditors such as banks, local authorities, energy companies may have eased the pressure somewhat. However, this is just a sticking plaster. Once the measures are lifted people may not have a job to go back to, may be disabled and unable to work, or will be working less hours, while also having a backlog of bills and additional interest to pay on top of the regular costs of daily life.

It is inevitable that many people's finances will be seriously damaged as we start to come out of lockdown. When and how the government and creditor support measures are lifted is critical to minimise the numbers of people falling off a financial cliff edge. What is also inevitable is that many more people will require debt and money advice from agencies such as the CAB service, agencies that require additional funding to increase the capacity to cope with the expected influx of clients in need of help.

! Citizens ALERT

“Fiona had income from both a 30 hour per week employment and a small business that was barely covering its costs. She was furloughed by her employer. Her business is in hospitality, so she has lost all seasonal bookings and does not know how she will maintain fixed costs so that she can keep her business running. She already has some debt and is worried about this increasing.”

! Citizens ALERT

“Emma is currently self-isolating due to COVID-19 symptoms. She is an employee at a private mental health hospital. Emma has no access to public funds due to her immigration status so cannot claim any benefits while she is off sick. She is concerned that she will miss her rent payments (though she is not in arrears currently) and she has already missed some Council Tax payments. Emma is ‘bank staff’, meaning that she doesn’t have set shifts but phones in regularly to request shifts on a flexible basis. Her precarious work has been impacted by the Coronavirus outbreak.”

¹ All names are changed to preserve anonymity

Who we are

Scotland's Citizens Advice Network empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and independent advice. We use people's real-life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

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