

Citizens Advice Scotland

Scottish Association of Citizens Advice Bureaux



## Advice in Detail: Employment

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# The Citizens Advice Network in Scotland

1. Citizens Advice Scotland and its CAB offices form Scotland's largest independent advice network. Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 83 Citizens Advice Bureau (CAB) offices. These bureaux deliver frontline advice services throughout nearly 200 service points across the country, from the city centres of Glasgow and Edinburgh to the Highlands, Islands and rural Borders communities.
2. There are 2,200 volunteers in the service who provide almost 13,000 hours of their time each and every week. Paid staff provide a further 15,200 hours of work each week in management, support, administration and specialist advice work.
3. There are citizens advice bureaux in 30 of the 32 local authorities in Scotland, making the network the only independent advice body in the country with truly national on the ground coverage.
4. Bureaux helped clients deal with 545,715 new issues in 2009/10. Bureaux deal with nearly 1,500 new issues for every day of the year. More than 1 in 10 new issues (56,363) concerned employment.
5. One of the key strengths of the CAB service is the added value that volunteers bring, both in terms of service delivery, and in terms of benefits to the individual themselves. If they were paid the national average wage, the cost of this service for a year would be £7.6 million.
6. Additionally, the core bureaux service provides an ideal platform for specialist project based work. In 2008-9, the cost of the core bureaux service in Scotland came to £6.7 Million. Bureaux raised an additional £6.8 million in project funding for additional advice work from a variety of statutory, corporate and trust funders.
7. A survey by Ipsos MORI in 2009 found that clients have a highly positive view of the services offered by citizens advice bureaux. The survey found that:
  - 98% felt able to trust the service and were satisfied with the service provided
  - Nine out of ten would use the service again.
  - 85% agreed that the Scottish CAB service was the 'leading advice agency in Scotland'.
8. Citizens advice bureaux traditionally help vulnerable people in their communities, although clients come from every section of society. An Ipsos Mori poll in 2009 found that one in five members of the public in Scotland had visited a bureau for advice in the last three years. In 2009/10, nearly 270,000 clients brought new issues to bureaux in Scotland.

# Who needs advice?

## Gender

The majority of bureau clients are female (60%) with 1 in 9 clients being female and between the ages of 45 and 59.

## Age

Just over half of clients are between the ages of 35 and 59. Around 1 in 10 clients are young people under the age of 25.

## Relationship status

Over half of clients seeking advice are single – divorced, widowed, separated or have never been married. Compared with the Scottish population, bureau clients are twice as likely to be either divorced or separated.

## Housing status

Nearly half of clients are owner occupiers, although bureau clients are significantly less likely to be owner occupiers than the adult Scottish population. Clients are more likely than the Scottish population to be in social or private rented accommodation.

## Caring responsibilities

The majority of clients (60%) do not have any caring responsibilities, although a third are looking after children. One in ten clients are looking after a member of their family who has a disability.

## Household type

Compared to the Scottish population, clients are more likely to be single, are almost three times as likely to be a single parent, but only half as likely to be a single pensioner. One in seven clients is from a single parent household.

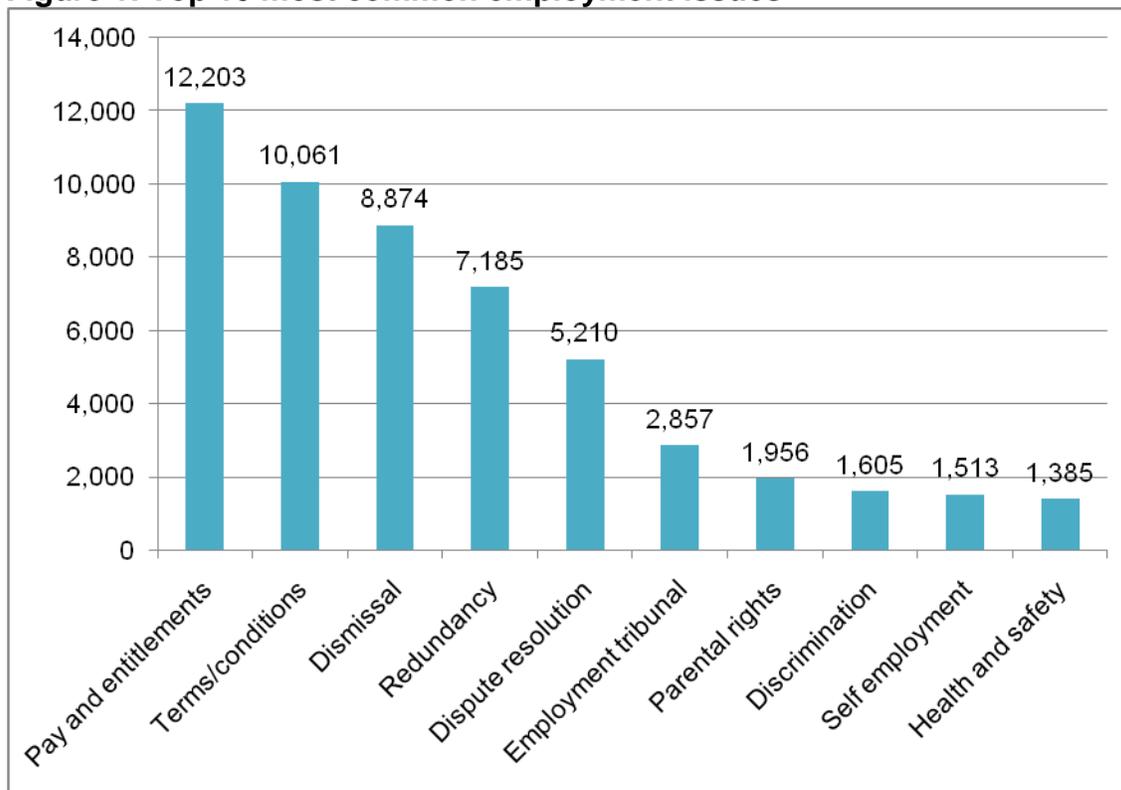
## Employment status

Almost half of bureau clients (47%) are in employment. Compared to the Scottish population, bureau clients are four times as likely to be unable to work due to ill health or disability, five times as likely to be unemployed, but half as likely to be retired or looking after family.

# Employment issues in Scotland

9. Scottish bureaux helped clients with 56,363 new employment issues in 2009/10. The top 10 employment issues brought to bureaux are shown in Figure 1:

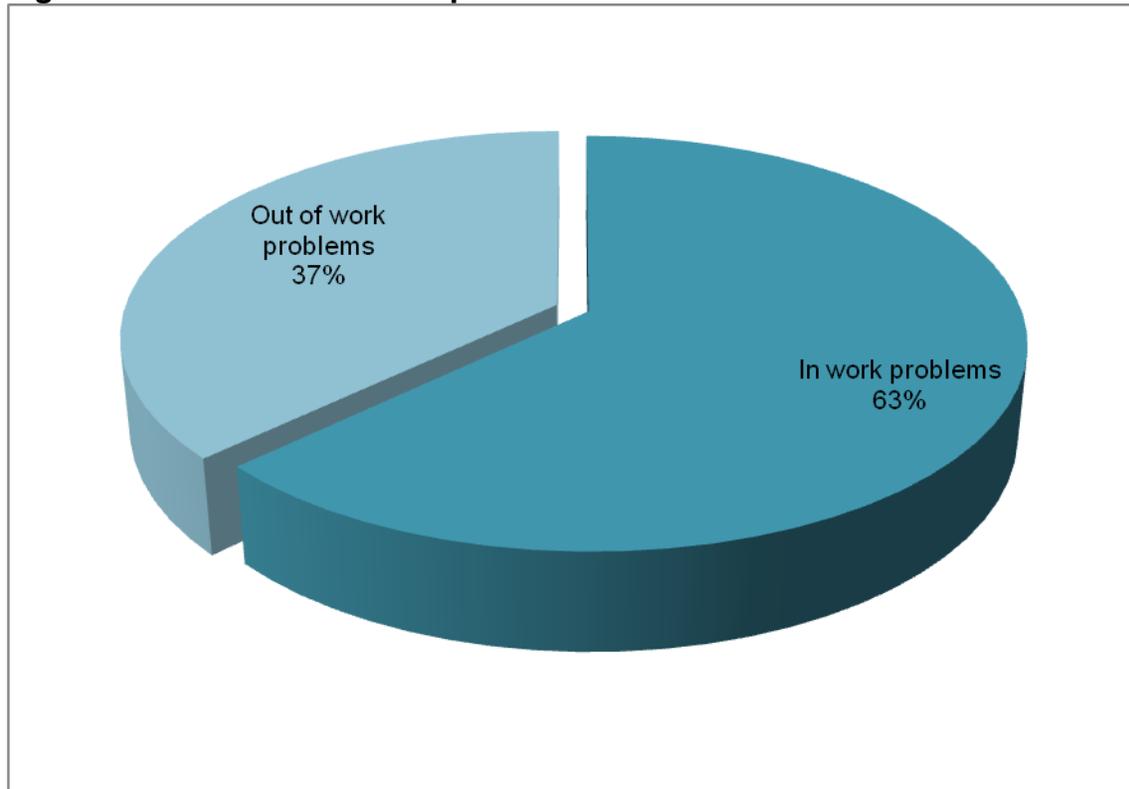
**Figure 1: Top 10 most common employment issues**



10. Issues concerning in-work problems, such as pay and terms/conditions of employment, made up a large proportion of employment issues. These issues are usually common in bureaux, although social policy evidence has suggested that they may have changed in character with more clients experiencing drops in pay and changes in hours due to the recession.
11. Around a third of issues concerned 'out of work' problems related to dismissal and redundancy. Despite the increases in redundancies in the recession, bureau clients are still more likely to report dismissal than redundancy issues.
12. Contract terms and conditions remains the most common employment issue, but it is interesting to note that unfair dismissal and grievance procedures feature highly. Social policy evidence has suggested that employers can dismiss clients for spurious reasons rather than give them redundancy pay. These figures may support this view.

13. Figure 2 shows that almost two-thirds of employment issues concern in work problems, such as pay, terms and conditions, grievances, and health and safety. Just over a third of employment issues concern out of work problems, such as redundancy, dismissal, and employment tribunals.

**Figure 2: In work/out of work problems**



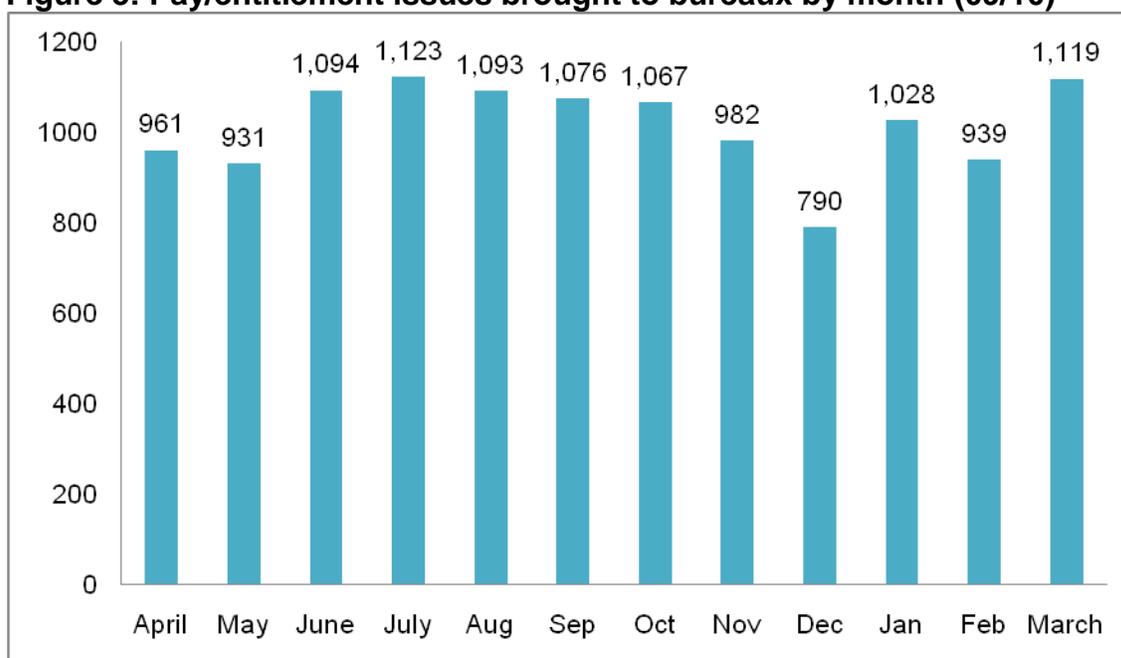
14. This report looks at employment issues in more detail under the following headings:

- Pay and entitlements
- Terms and conditions
- Dismissal
- Redundancy

# Pay and entitlements

15. Bureaux helped clients with 10,357 issues relating to employment pay and entitlements in 2009/10 – that is 33 issues for every day of the year. Employment pay is in the top 10 issues brought to bureaux every week. Figure 3 shows the number of pay and entitlement issues brought to bureaux each month in 2009/10:

**Figure 3: Pay/entitlement issues brought to bureaux by month (09/10)**



16. Figure 3 shows that pay issues appear to peak during the summer months and towards the end of the financial year. This may be partly due to an increase in holiday/holiday pay issues in the summer months. Table 2 shows that the main issues concerning pay and entitlement result from wages, holidays, and sick pay.

**Table 2: Pay/entitlement issues**

Area of advice	% of pay issues
Wages + payslips	26%
Holidays/holiday pay	24%
Sick pay	19%
Illegal deductions	10%
National Minimum Wage	6%
Occupational pensions	4%
Sick leave	3%

17. A number of clients have been asked to take pay cuts as a result of the economic downturn:

- A client was given a 10% pay cut which he had previously declined upon consultation with his employer.
- A client who is working for a building and engineering company has had his pay cut from £13 an hour to £9 an hour – the client explained that this has only happened to the Polish workers.
- A client and her husband who work for the same company have both been affected by the recession. The client has been switched to part-time work while her husband is taking a pay cut of £320 a month. The couple are experiencing problems keeping up with payments on their mortgage and credit cards.

18. Other clients report that they are not being paid the wages to which they are entitled:

- A client who did not receive pay for 100 hours of work was told that this was because she had voluntarily left employment – the client insists that this was not the case and that she has effectively been dismissed without receiving any pay whatsoever.
- A client and some of her co workers have worked around 90-100 hours overtime in the last 6 weeks but are not getting paid regularly. The pay is coming in slowly and there is no note of what days for which they have been paid. The client does not have a written contract.

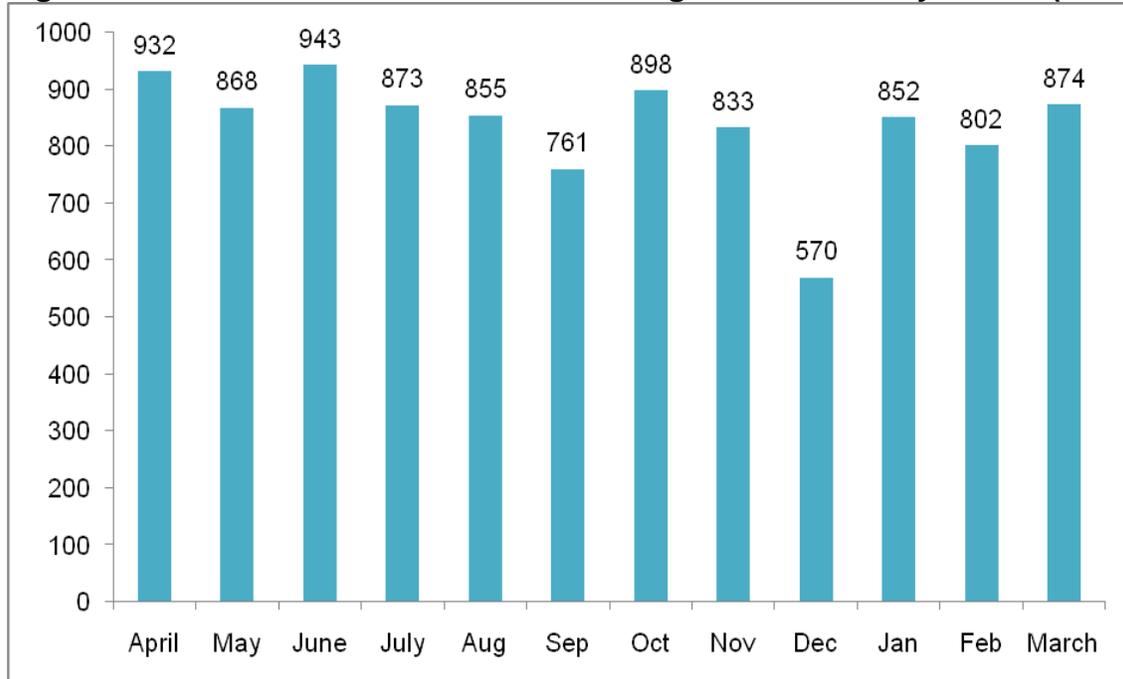
19. A common complaint from young people approaching a bureau for advice is that they are being paid less than the National Minimum Wage (NMW). Employers can pay less than the NMW if the employee is in an official apprenticeship. However, bureaux see a number of young people paid less than the NMW despite finishing their apprenticeship or never having been in training:

- A 24 year old client was paid £160 a week in cash for a 70 hour working week. The client does not have a contract and does not receive payslips.
- A 17 year old client who is not an apprentice is paid £90 for a 51 hour working week as a hairdresser.
- An 18 year old client is being paid £1.38 an hour as a hairdresser, but is not in training or an apprenticeship.
- A 17 year old client was hired on the basis of being paid the NMW for a 32 hour week. However, the employer has since dropped her wages to £3.10 an hour with the explanation that this was a more appropriate wage.

# Terms and conditions

20. Bureaux helped clients with 10,061 issues relating to terms and conditions of employment in 2009/10. Figure 4 shows the number of terms and conditions issues brought to bureaux each month last year:

**Figure 4: Terms and conditions issues brought to bureaux by month (09/10)**



21. The number of employment terms and conditions issues remained broadly consistent throughout the year. In terms of the types of issues brought to bureaux, the majority concerned contract problems, including changes in the terms and conditions in the contract, as well as a number of problems caused by the absence of a contract.

**Table 3: Terms and conditions issues**

Area of advice	% of issues
Contract	52%
Harassment/bullying	5%
Resignation	5%
Part time work	3%
Apprenticeship	2%

22. Numerous clients are worried about a reduction in working hours including those who have seen their working hours reduced so extensively that they are considering leaving their employment. Some clients see this action as a way of forcing the client to quit and not receive any redundancy pay:

- A client saw his working hours reduced from 30 to 8 hours per week and feels that his employer is trying to get him to quit so that he doesn't have to make him redundant
- Another client has been put in a situation where she would rather become redundant than work 75% less hours than previously.
- A client received a letter from her employer stating that her and three other employees' hours are to be decreased next month. If they do not agree to the change in terms, their names will be put into a hat and one will be made redundant.
- A client had seen his hours of work reduced from 30 to 9 hours per week over a three month period. The client cannot support himself or his family on this reduced wage and is having to borrow money from friends and creditors to survive. The client is of the belief that his employer is "forcing him out" to avoid paying redundancy.
- A 23 year old client experienced financial difficulties after his hours of work were reduced from 30 hours to 12.5 hours per week. The client now has debts of over £5,000 and he is unable to meet his contractual payments and is incurring interest and charges on his overdraft, credit card and loan accounts.

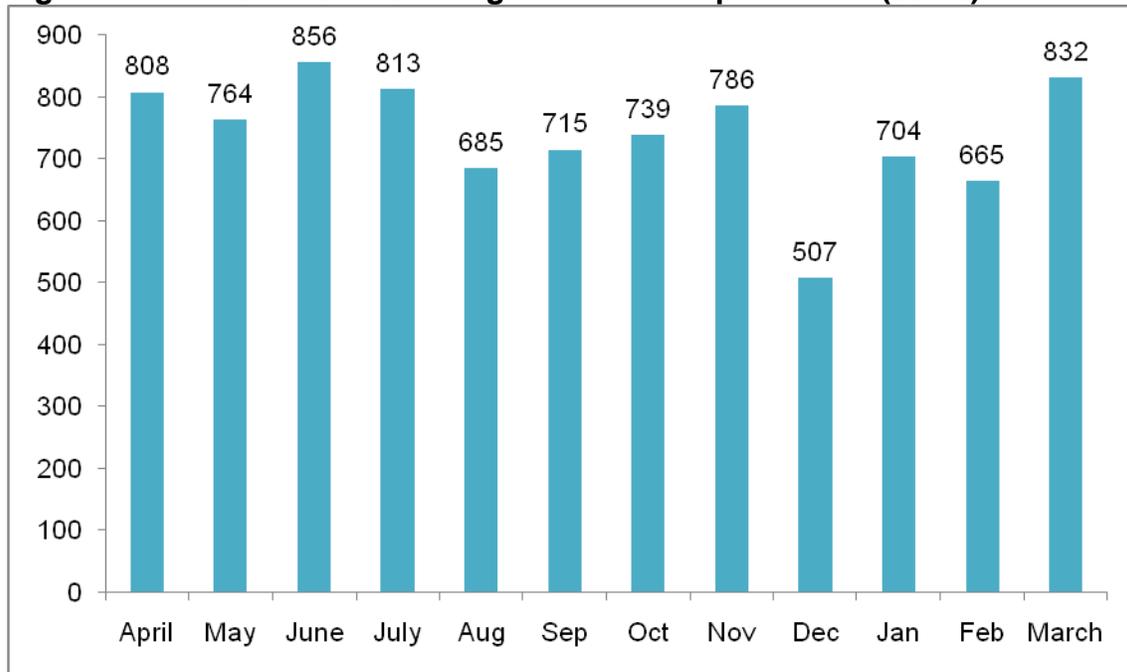
23. Clients are also experiencing situations in which they are being pressurised into working long hours:

- A client has worked for 2 weeks and 2 weekends without a break when there is a max 48 hour a week opt out clause in his contract.
- A client who works two jobs feels pressured by one of her employers to work 60 hours a week even though she has previously informed them about her second job.
- A client who was dismissed from her job because of complaints received about her attitude states that this was due to her 9.5 hour work day with no breaks.

# Dismissal

24. Bureaux helped clients with 8,874 issues relating to dismissal in 2009/10. Despite a significant increase in the number of redundancies during the recession, bureaux still dealt with more dismissal issues than redundancy issues for clients. Figure 5 shows the number of dismissal issues brought to bureaux each month last year:

**Figure 5: Dismissal issues brought to bureaux per month (09/10)**



25. The number of dismissal issues brought to bureaux remained broadly consistent during the year, although a slightly downward trend was arrested in the last month of the year. The majority of dismissal issues relate to complaints that the dismissal was unfair, wrongful or constructive.

**Table 4: Dismissal issues**

Area of advice	% of dismissal issues
Unfair dismissal	32%
Dismissal procedure	26%
Notice + pay	13%
Wrongful dismissal	9%
Constructive dismissal	8%

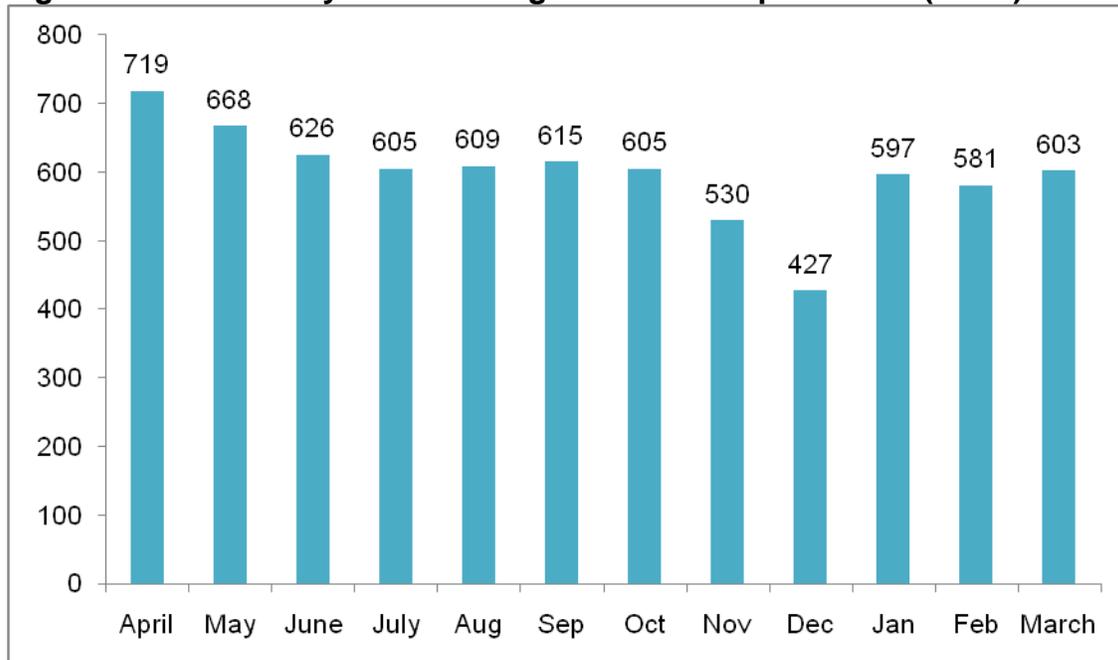
26. A number of clients have approached bureau for advice complaining that they had been unfairly dismissed:

- A client who looks after an estate has been dismissed after his doctor sent his employer a note stating his ill health was due to the living conditions of the cottage that the client was given to live in.
- A client who refused to work extra hours as they would infringe on the time he was due to take off for his holiday was immediately dismissed.
- A client feels that he has been dismissed because he is on Statutory Sick Pay due to a work related injury.
- A client is concerned about his dismissal process – in particular he has not been provided with proof of the allegations made against him, and has been told that if he complains, he will not receive a reference.
- A client who worked for an employer for less than a year was dismissed from her post when she started questioning some of the organisation's policies and practices. She was bullied and harassed by a colleague and board members and was told that the dismissal was based on a 'breakdown of trust'. The client cannot raise an unfair dismissal claim because she has worked for the employer for less than a year.
- A client was dismissed from his employment after a short period of suspension and immediately after a hearing. He is accused of unintentionally damaging a colleague's car.
- A client who was initially granted a holiday was told on her return that she had been dismissed for taking a holiday without permission.
- A client was dismissed from his employment after he refused to sign a new contract which he found to be unsatisfactory.
- A client was dismissed after refusing to continue working alongside a member of staff who had committed an unprovoked assault on the client.
- A client was dismissed after questioning his employer over how the tips at the restaurant were shared. The client's employment contract stated that he would be paid £4.50 an hour with tips bringing his wage up to £6 an hour. When the client questioned his employer on this, he was dismissed on the spot.

# Redundancy

27. Bureaux helped clients with 7,185 issues relating to redundancy in 2009/10. This figure does not relate to the number of clients who had been made redundant – many clients will seek debt or housing advice following redundancy. This figure relates to the clients who had an issue with the redundancy itself, such as withholding of wages or lack of notice. Figure 6 shows the number of redundancy issues brought to bureaux per month in 2009/10:

**Figure 6: Redundancy issues brought to bureaux per month (09/10)**



28. Figure 6 shows that the number of redundancy issues brought to bureaux remained relatively constant throughout the year, although there was a slight downward trend. Table 5 outlines the main types of redundancy issues that clients brought to bureaux. The most common issues involved redundancy pay and selection for redundancy:

**Table 5: Redundancy issues**

Area of advice	% of redundancy issues
Redundancy pay	39%
Selection for redundancy	21%
Contract commitments	5%
Voluntary redundancy	4%

29. A number of clients are not receiving the pay, holidays, and required notice that they are entitled to when they are made redundant:

- A client who was paid off has not received his last two days of pay and has not been issued with a P45.
- A client only received one day's notice for the termination of her employment. Her employer made it sound like she was an extra pair of hands he could not afford to pay. She has not received her last month's wages, nor one week's holiday pay. Her former employer says that he cannot afford to pay her.
- A client who worked for a charity is being made redundant and has been advised that he will have to work freelance and that no redundancy money will be paid out because of this.
- A client came to work to find that the locks to his workplace had been changed and that the employer was selling the business. The client has been advised that he will not receive the holiday pay and redundancy pay he is entitled to.

30. Other cases of redundancy show that many employers do not understand their responsibilities to their employees in redundancy cases. In some cases, this lack of understanding leads to discrimination:

- A client who injured her legs has been told by her employer that she will be made redundant because the new premises that the company is moving into does not have disabled access and that the client has taken too many sick days off.
- A client was told that she was being let go because of her age and that she would not receive redundancy payments because she was "too old".
- A client was made redundant after her employer decided that she was now an 'unnecessary luxury'. The employer gave the client one day's notice and failed to pay her the four weeks' wages the client was owed.

31. A common issue for clients in the recession is being made redundant for financial reasons, and then finding that their job is being filled by another employee. This could imply that employers are using the recession as an excuse for 'getting rid' of employees they don't like:

- A client who was made redundant has recently seen his previous position advertised again.
- A client who had been paid off by his employer later found out that an apprentice had been hired to fill his previous role.



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