

The Citizens Advice Network in Scotland

Advice in Scotland is the first in a series of reports that look in detail at the people who use the service and the problems that they experience in their lives. The reports will be of great interest to policy makers, advice givers, businesses, and anyone with an interest in the major issues that affect people across Scotland. This report looks at those who seek advice and the broad areas of problems that they bring. Future reports will look at benefits, debt, housing and employment in more detail.

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. Bureaux helped clients deal with 545,715 new issues in 2009/10. That's nearly 1,500 new issues for every day of the year. Bureaux dealt with 22 new issues for every 100 households in Scotland in 2009/10
3. 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.
4. 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.
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. 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'.

Who needs advice?

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 2008/09, more than 250,000 clients brought new issues to bureaux in Scotland. The following findings are based on a sample of 15,000 clients that approached bureaux in Scotland for advice in 2009/10:

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.

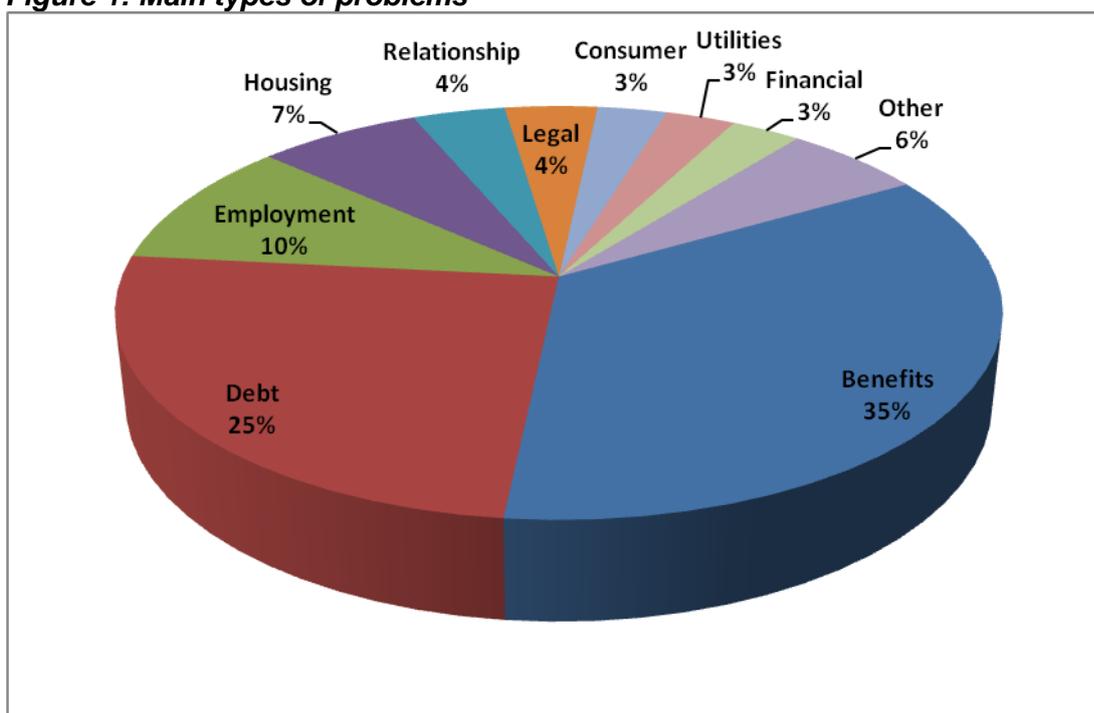
Employment status

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.

Problems in Scotland

- Citizens Advice Bureaux in Scotland helped clients with 545,715 new issues in 2009/10. These issues covered a wide spectrum of advice needs, ranging from benefits to housing; from employment to debt; from consumer issues to utilities; and many more.
- Bureaux are moving to a new system of case recording that records a much greater level of detail on the clients approaching bureaux and their advice needs. The new system will be invaluable to policy makers, advice givers, businesses, and anybody with an interest in social policy and advice provision. The reports that are produced using the case recording system will provide hitherto unseen findings based on information from hundreds of thousands of clients each year.
- Figure 1 outlines the broad types of problems that clients brought to bureaux during 2009/10:

Figure 1: Main types of problems



- The figure shows, unsurprisingly, that benefits and debt make up the majority of issues brought to bureaux in the period. Nearly two-thirds of issues concerned benefits or debt last year.

11. Looking in greater detail at the main issues brought to bureaux, we are able to see the top 10 most common problems experienced by clients. This is shown in Table 1:

Table 1: Top 10 most common problems:

Rank	Problem	Number of issues
1	Credit, store and charge card debts	27,143
2	Unsecured personal loan debts	20,165
3	DLA – Care Component	19,672
4	DLA – Mobility Component	17,874
5	Housing Benefit	17,378
6	Debt remedies	15,810
7	Council Tax Benefit	15,292
8	Employment and Support Allowance (ESA)	14,713
9	Council Tax arrears	13,204
10	Employment pay	12,203

12. Table 1 delves deeper into the statistics to show more specific information about the most common issues that clients bring to bureaux. The table shows that credit card and personal loan debts dominate as the biggest issues. However, Disability Living Allowance, if included as one benefit, would actually be the biggest single issue brought to bureaux.

13. Debt remedies is included in the top 10 issues, which shows the number of clients that require advice on LILA and DAS. Employment and Support Allowance (ESA) is the only new issue in the table from the previous year, showing that it is increasingly becoming a major area of advice for bureaux. As ESA is rolled out to existing IB claimants, it is likely to move up this list of most common issues.

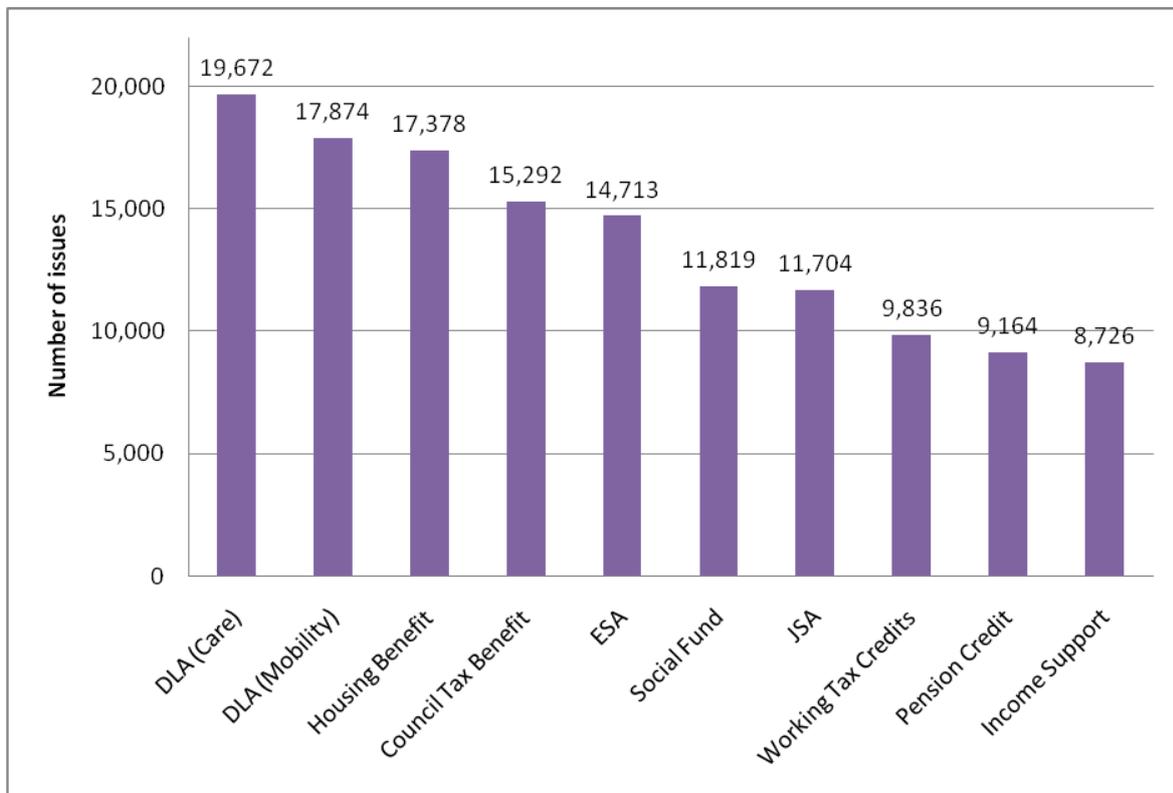
14. This report will now look in greater detail at the main areas of advice offered by bureaux under the following headlines:

- Benefits
- Debt
- Employment
- Housing

Benefits

15. During 2009/10, citizens advice bureaux in Scotland dealt with 188,969 new benefit issues for clients – just over a third of all issues brought to bureaux. That's over 500 new benefit issues for every day of the year.
16. Welfare advice makes up a significant proportion of client concerns and adviser workloads. Figure 2 outlines the 10 most common benefits addressed in client concerns:

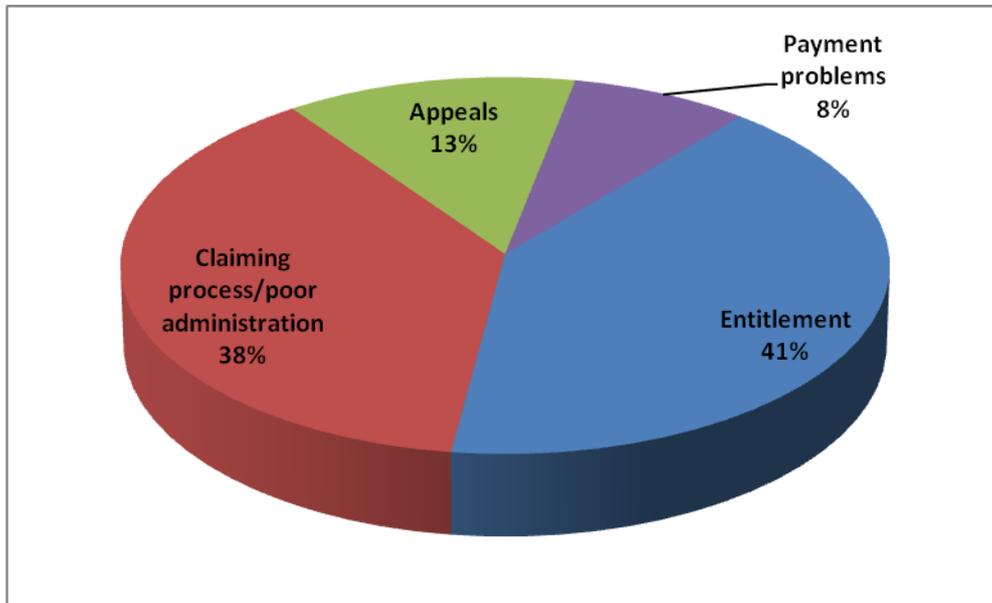
Figure 2: Top 10 benefits



17. Figure 2 shows that more than 37,500 enquiries last year concerned Disability Living Allowance (DLA) – a fifth of benefit issues and nearly 1 in 15 of all issues brought to bureaux.
18. Employment and Support Allowance (ESA) was introduced in October 2008 to replace Incapacity Benefit (IB) and has quickly become a significant issue for bureaux clients. Bureaux dealt with over 14,700 issues regarding ESA last year.

19. Bureaux provide advice on many areas of the benefit process, including advising on entitlement, helping with the claiming process, advising and providing representation in appeals, and dealing with payment and administration problems. Figure 3 shows the main areas of benefit advice:

Figure 3: Main areas of benefit advice



20. Another way to look at the overall benefit picture seen by bureaux is to compare the number of issues brought to bureaux on a specific benefit to the overall number of people claiming that particular benefit in Scotland. Using this method, we can see that bureaux deal with 12 new issues on average for every 100 people claiming benefits in Scotland. This can be seen in Table 2:

Table 2: Issues brought to bureaux by numbers of claimants

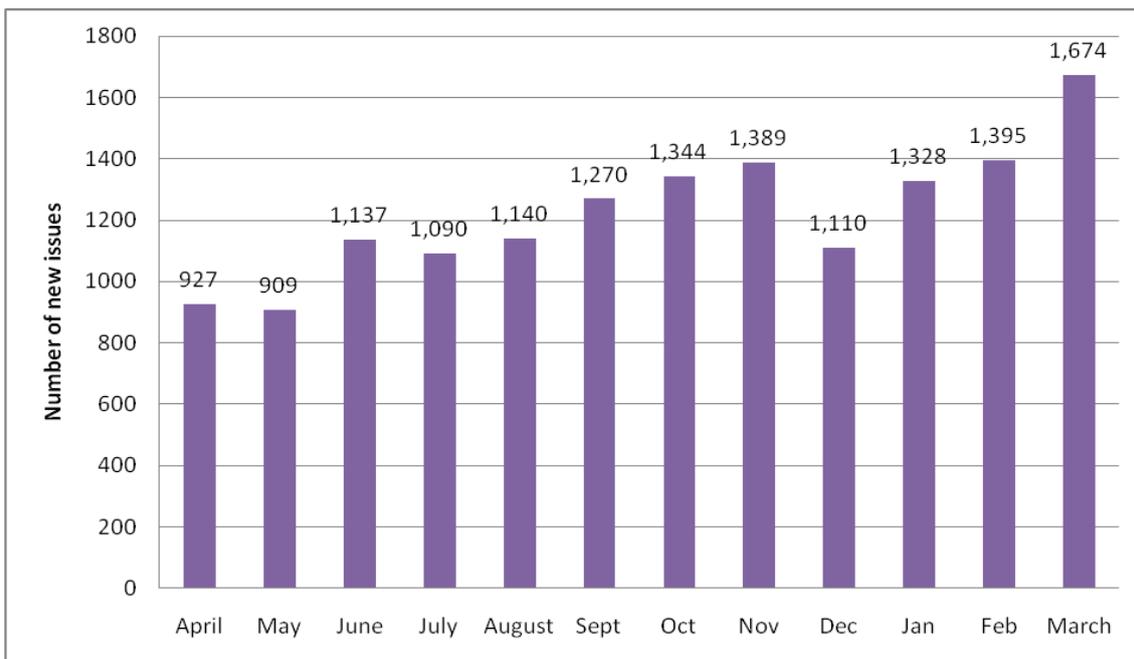
Benefit	Claimants in Scotland (Feb. 20010)	Issues brought to bureaux	Number of issues per 100 claimants in Scotland
ESA	49,470	14,713	30
DLA	343,300	37,546	11
Carers Allowance	47,960	4,926	10
JSA	141,840	11,704	8
Income Support	185,990	8,726	5
Attendance Allowance	147,030	5,563	4
Housing Benefit	467,350	17,378	4
Incapacity Benefit	213,460	7,579	4
Pension Credit	278,480	9,164	3
Council Tax Benefit	561,480	15,292	3
All benefits (excluding CB and CTC)	1,627,370	188,969	12

21. Table 2 indicates the benefits that effectively caused the most issues per benefit claimant for bureaux in Scotland. It can be seen that ESA easily involved the most issues per claimant with nearly 1 new issue brought to bureaux per 3 claimants. From the table, DLA and Carers Allowance also entail a high workload for bureaux per claimant.
22. For every 100 benefit claimants in Scotland, bureaux help with 12 issues on their behalf each year. On average, five of these issues concern entitlement, four concern issues with the claiming process; one issue concerns an appeal; another issue would be a payment problem; and the final issue would be likely to include poor administration or an overpayment.
23. The table also acts as a basic predictor on benefits - it may be useful in showing how an increase in claimants for a certain benefit would impact on the number of issues brought to bureaux. For example, bureaux advise on 8 issues on JSA per 100 claimants. Using this table, a 10% increase in JSA claimants (an increase of around 14,000) would mean a 1,120 increase in JSA issues brought to bureaux. It is worth noting, however, that a decrease in eligibility for benefits would not necessarily decrease the issues brought to bureaux. Tighter eligibility rules – such as those in ESA – can actually serve to increase issues brought to bureaux.

Benefits in detail... ESA

Employment and Support Allowance (ESA) replaced Incapacity Benefit in October 2008 for those unable to work due to illness or disability. ESA introduced a tougher assessment which has so far found 66% of claimants fit for work. As a result, ESA has quickly become one of the most common issues brought to bureaux and is arguably the issue that is most concerning for advisers. Figure 4 shows how ESA has exploded as an issue over the last year:

Figure 4: ESA issues by month 2009/10



Scottish bureaux evidence on ESA

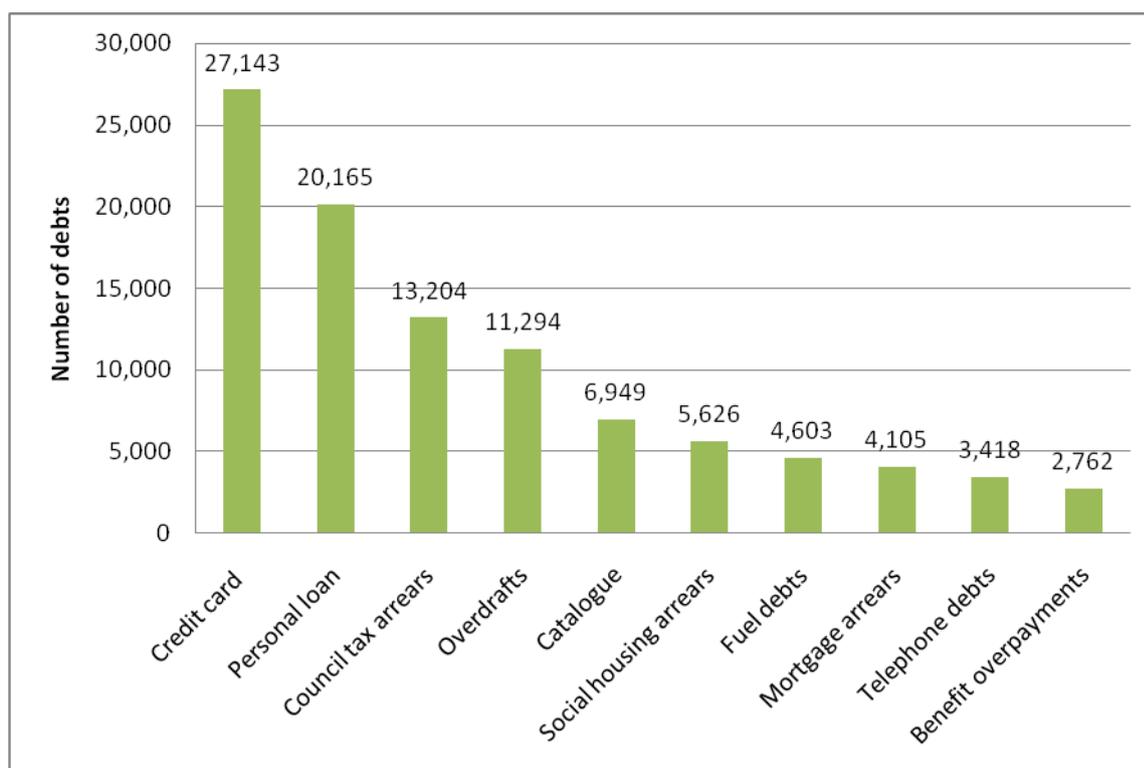
Scottish bureaux have advised a number of clients who have been found fit for work in their work capability assessments despite having severe health problems.

- A client with severe mental health problems, including manic depression and a bi-polar disorder, was found fit for work after a letter from the client's doctor was ignored in the assessment.
- A client with Parkinson's disease, heart disease, and diabetes, was found fit for work and had his ESA payments stopped.
- A client with terminal lung cancer was found fit for work, although this was reversed on appeal.
- A client appealed the result of his work capability assessment after he was awarded no points for a long-standing arthritic problem which affects walking, standing, sitting, gripping, and carrying. The client felt bullied and intimidated during the assessment.

Debt

24. During 2009/10, 135,032 new debt issues were dealt with by bureaux in Scotland – over a quarter of all the issues brought by clients. Bureaux helped clients with more than 370 debt issues for every day of the year. Figure 5 outlines the most common debts brought to bureaux in 2009/10:

Figure 5: Top 10 most common debts



25. Credit card and personal loan debts dominate as the main forms of debt – together they made up around 1 in every 12 issues brought to bureaux. Other forms of consumer debt are also common, such as overdrafts, catalogue debt, and telephone debts.

26. There were over 13,200 issues concerning council tax arrears in 2009/10. Most of these issues concern difficulty paying, but a high proportion concerned either enforcement action or liability for debt.

27. Table 3 shows the main types of debt brought to bureaux. Consumer debt accounts for the majority of the debt issues, with council tax and housing also featuring prominently. Around 1 in 8 issues brought to bureaux concern consumer debt.

Table 3: Type of debt

Type of debt	Number of debts	% of all debts
Consumer	68,806	65%
Council tax	13,204	13%
Housing	10,941	10%
Utility	8,021	8%
Benefits	3,304	3%
Other	1,228	1%
Total	105,504	100%

28. The majority of client problems regarding debt concerned difficulty making payments. However, a significant number of issues were raised about the client's liability for a debt. Enforcement action and court claims were relatively low in the data, which may suggest that creditors prefer informal methods of debt collection to formal methods. This is shown in Table 4:

Table 4: Area of debt advice

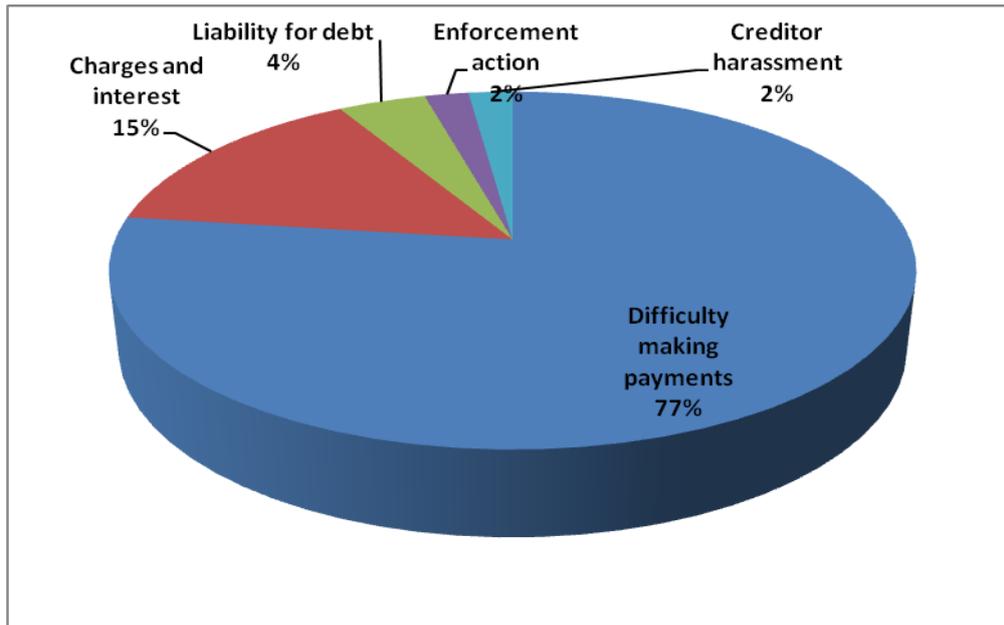
Area of advice	Proportion of debt issues
Difficulty making payments	82%
Liability for debt	8%
Enforcement action	5%
Creditor harassment	2%
Possession claim for housing arrears	1%
Summary warrant	1%
Court claim/action	1%

29. Of the issues concerning creditor harassment, half resulted from credit card or personal loan debts. Catalogue and telephone debts also resulted in a high number of harassment problems.

Debt in detail... Overdraft debts

Overdraft debt and charges continue to be significant problems for bureau clients, with over 11,000 issues concerning overdraft debts in 2009/10. Overdraft debt was the fourth most common type of debt over the year. Figure 6 shows the most common areas of overdraft problems:

Figure 6: Overdraft debt issues



Scottish bureaux evidence on overdraft charges

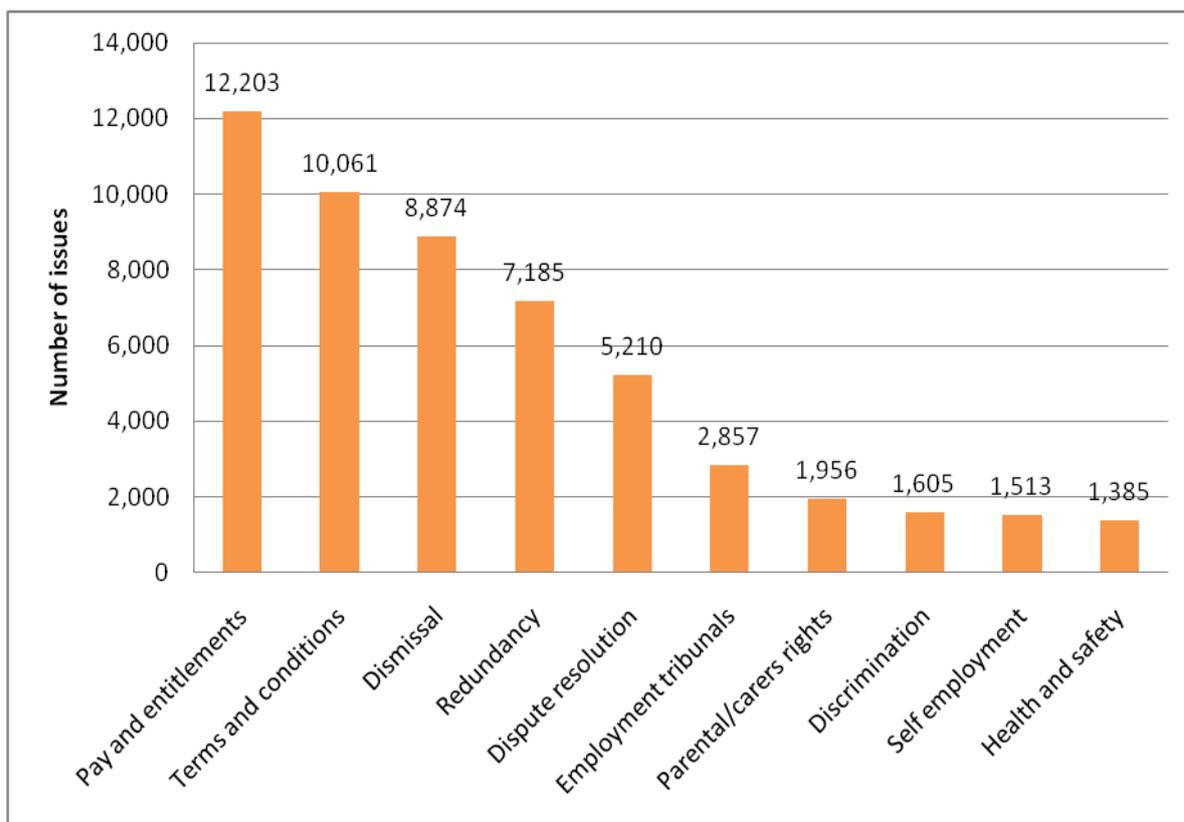
Overdraft charges remain unfair and disproportionate, and are a significant problem for low income clients:

- A pensioner reported that she had received £64 of overdraft charges from her bank after being overdrawn by only £2.71 last month.
- A client owes his bank £145 due to being overdrawn £2.69 and charged £25. His local branch agreed to drop it, but the charge remained and has increased.
- A client has £100 charges on her account originating from a failed Direct Debit. The client received no communication from the bank prior to charges being applied.
- A single mother of three children had all her benefits taken by the bank to put towards existing overdraft charges.
- A client's income from JSA is being swallowed by bank charges after being made redundant. The client received over £300 in charges in one month.
- A client has been charged £68 in charges and counting after being overdrawn by only 44 pence.

Employment

30. 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 7:

Figure 7: Top 10 most common employment issues



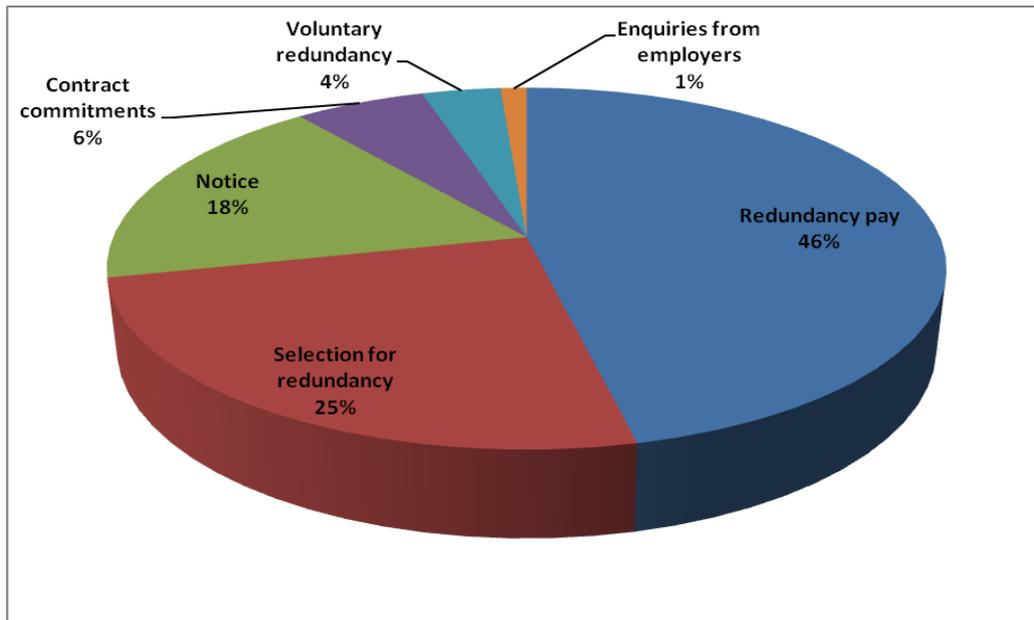
31. Issues concerning in-work problems, such as pay and terms/conditions of employment, made up a large proportion of employment issues. These issues are usually common in bureaux, although social policy evidence has suggested that they may have changed in character with more clients experiencing drops in pay and changes in hours due to the recession.

32. 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 issues than redundancy issues.

Employment in detail... *Redundancy issues*

33. Bureaux helped clients with nearly 6,000 redundancy issues, although it is likely that advisers helped far more clients who had been made redundant with other issues, such as debt and housing problems. Figure 8 shows the main redundancy issues brought to bureaux, with the main problems being redundancy pay, selection for redundancy, and problems with notice:

Figure 8: Redundancy issues



Scottish bureaux evidence on redundancy issues

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 only received one day's notice for the termination of her employment. Her former employer says that he cannot afford to pay her last month's wages or holiday pay.
- A client came to work to find that the locks to his workplace had been changed and that the employer was selling his business. The client has been advised that he won't receive the redundancy pay he is entitled to.

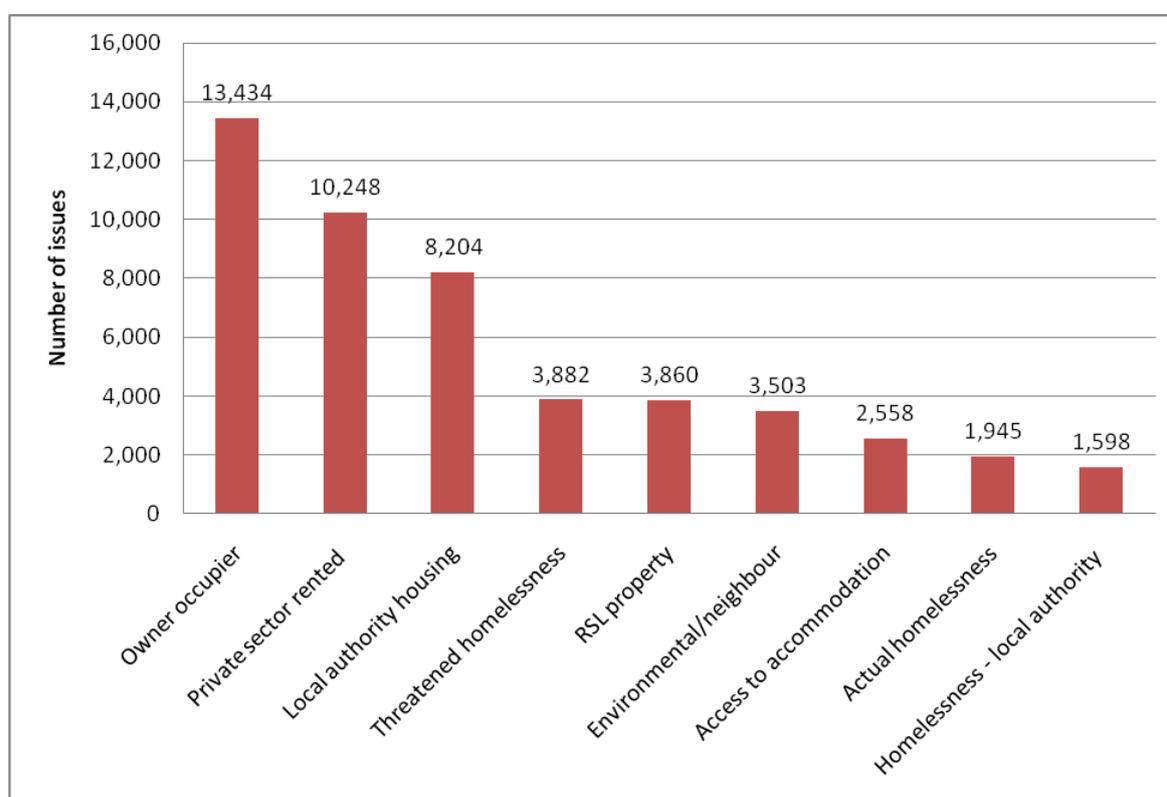
A common issue for clients in the recession is being made redundant for financial reasons, and then finding that their job is being filled by another employee. This could imply that employers are using the recession as an excuse for 'getting rid' of employees they don't like:

- 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.
- A client was told that she was being let go because of her age – she was also informed that she would not receive redundancy payments because of her age.

Housing

34. Based on a sample of 15,000 clients, nearly half were owner occupiers, although bureau clients in the sample were significantly less likely to be owner occupiers than the adult Scottish population. Clients were more likely than the Scottish population to be in social or private rented accommodation.
35. Scottish bureaux dealt with 47,516 housing issues in 2009/10. Figure 9 shows the top 10 areas of housing problems brought to bureaux in 2009/10:

Figure 9: Top 10 most common housing issues



36. Social housing and mortgage arrears dominated as the most common housing problem during a year in which the recession made rent and mortgages increasingly difficult to pay. Interestingly, there were relatively few cases of difficulty paying rent in private rented accommodation, with the main issue being tenancy deposits in this sector.
37. It is worth noting that while a significant number of clients brought issues regarding difficulty paying their mortgage, clients were more likely to report repossession action and eviction if they lived in social housing accommodation.

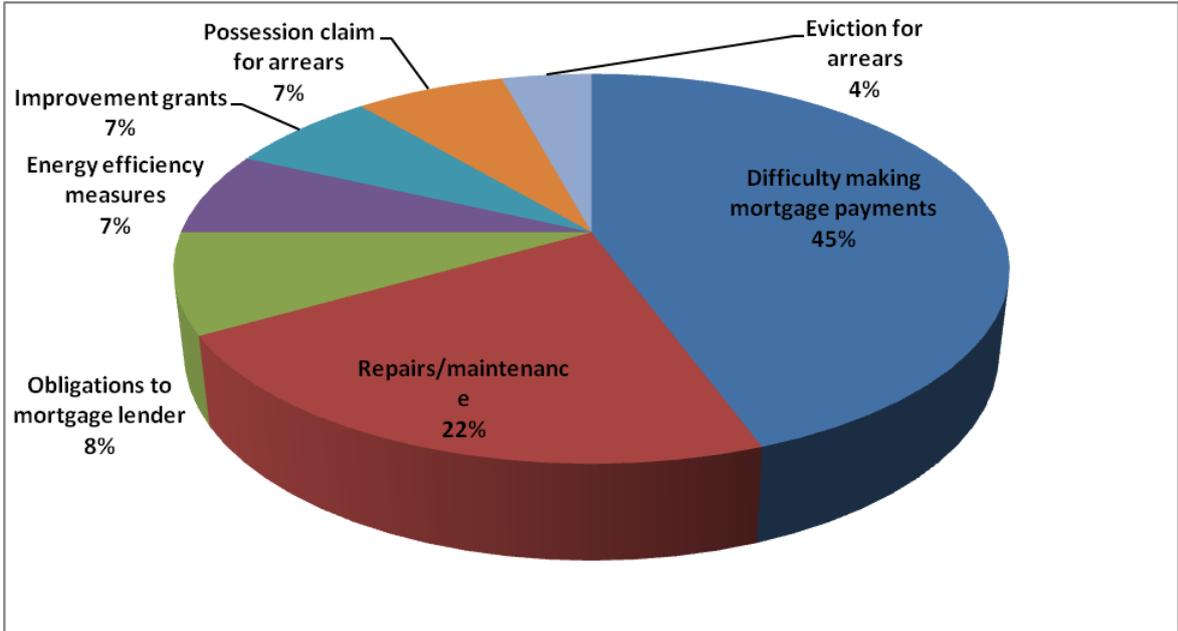
Housing in detail... *Owner occupier housing*

38. Almost half of bureau clients (44%) are homeowners, although bureau clients are significantly less likely to own their home than the Scottish population as a whole (66%).

- Homeowners were more likely to be older than the average bureau client – 58% were over the age of 45
- Over half of homeowners were married (59%) compared to just 38% of all clients
- Homeowners were more likely to be in employment (57%) compared to 47% of all clients

39. There were 13,434 issues related to owner occupier properties in 2009/10 – around 30% of all housing issues. Figure 10 shows that nearly half of homeowner issues concerned difficulty making mortgage payments:

Figure 10: Homeowner property issues



40. A higher proportion of owner occupier issues (45%) concerned difficult making housing payments than social housing issues (24%) and private rented housing issues (4%). Around 1 in 10 owner occupier housing issues concerned a repossession claim or eviction for arrears.

Scottish bureaux evidence on homeowner issues

Clients are continuing to report difficulties making **mortgage payments** after being made redundant or suffering from health problems. Some have been paying their mortgage through their savings or credit cards.

- A couple is in serious mortgage arrears after they were both made redundant. Their mortgage protection insurance has now ended, but the clients have not found alternative employment.
- A client is struggling to claim mortgage insurance after being made redundant. The insurance company appears to be stalling on payments by repeatedly asking for the same information.
- A client reported missing a mortgage payment after an overdraft charge put him into financial difficulty.
- A client faces losing his home after running out of the savings he was relying on to pay his mortgage.
- A client reported paying his shared mortgage through his credit card. His access to credit has now dried up and the client owes over £10,000.
- A client is struggling to pay his mortgage after his mortgage lender refused to give him a mortgage holiday when he was made redundant.

Some clients are now facing **repossession** of their homes:

- A single parent with three children approached a bureau for advice just a week before her eviction date. The client also looks after her 90 year old father. The bureau are trying to get the case back into court, but there is a limited amount they can do at this late stage.
- A client is living in bed and breakfast accommodation after having his home reposessed due to being made redundant.
- A client is facing the loss of her home as her self-employed husband is terminally ill and cannot work. The mortgage lender is persistently contacting the client to demand payment, but the client has no money to offer and cannot disconnect the phone due to her husband's illness.
- A client approached a bureau for help on the day of the repossession of his property.

A word cloud graphic featuring various terms related to Citizens Advice Scotland. The words are arranged in a roughly circular pattern. The largest word is 'Volunteers' in black. Other prominent words include 'Welfare' in red, 'Charity' in yellow, 'Advice' in black, 'Independent' in orange, 'CAB' in orange, 'Money advice' in red, 'Representation' in red, 'Community' in red, 'Trust' in black, 'Impartial' in black, 'Clients' in yellow, 'Client' in orange, and 'financial gain' in orange.

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