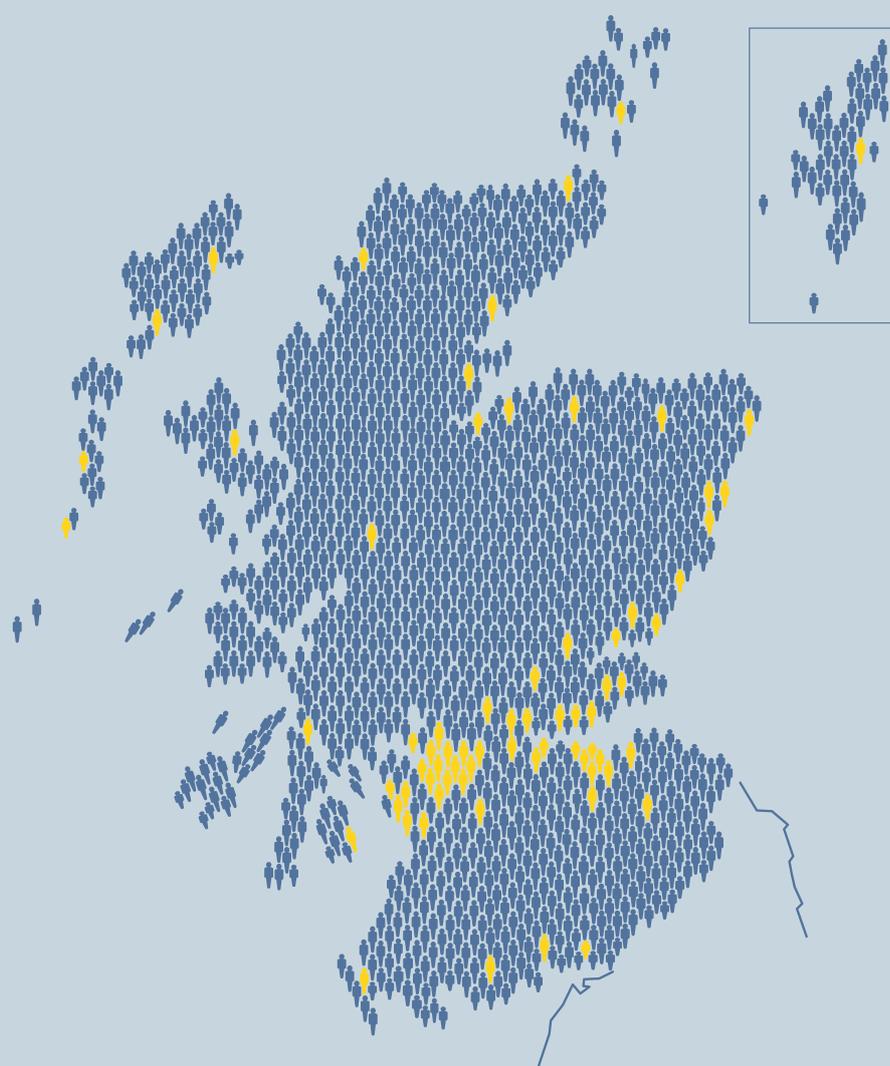


# Advice in Scotland

2010/11



*based on the evidence of Citizens Advice Bureau  
clients across Scotland*

by Keith Dryburgh, Social Policy Officer

# Advice in Scotland 2010/11

By Keith Dryburgh, Social Policy Officer

Citizens Advice Scotland and its member bureaux form 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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# Foreword: A challenging year for Scotland

"2010/11 was a challenging year for people and services in Scotland. The country left one of the deepest recessions of modern times, but falling incomes and high unemployment were harder to leave behind. As a result, thousands of people across Scotland required advice to help them resolve their problems. In fact, citizens advice bureaux helped clients with a record number of issues in 2010/11 – 560,303 new issues or one issue a minute.

This briefing highlights the issues that frontline advisers are dealing with every day across the country. Many of the findings are very concerning. The total number of new issues brought to bureaux rose by almost 15,000, a 3% increase in 2010/11, with benefits, debt, legal and tax issues showing significant increases. Of particular concern is the 33% increase in the number of Employment and Support Allowance (ESA) issues dealt with by bureaux over the year coupled with the huge increase in clients requiring representation by welfare advisers at ESA tribunals.

We are already well into 2011/12 and it is clear that demand for advice is as strong as ever. In fact, there are strong indications that potential economic turmoil, public spending cuts and significant welfare changes will drive further demand for advice. Many people in Scotland face a double whammy of reductions in benefit payments and entitlement alongside cuts in public service provision.

We are determined to meet the extra demand for advice that the economic climate and welfare changes will create. However, we are concerned that the resources that are required to provide this advice are reducing at the same time as the demand for advice is increasing.

Good advice can prevent outcomes that are expensive for the taxpayer and are disastrous for the person and families experiencing them, such as homelessness, poor mental health, bankruptcy, and unemployment. Advice works and pays for itself through better outcomes for the client and for the public purse. In an era of public spending cuts and a squeeze in personal income, good advice is more important than ever."



Susan McPhee  
Director of External Affairs  
Citizens Advice Scotland

# Executive summary

Citizens advice bureaux in Scotland helped clients to deal with 560,303 new issues in 2010/11 – nearly 15,000 more issues than in 2009/10. This briefing looks into the detail of the issues that clients seek advice upon every day across the country. The main findings in this briefing include:

- The total number of new issues that clients sought advice upon increased by 3% in 2010/11. Areas of advice that increased during this year included tax (16% increase in number of issues), benefits (+8%), legal issues (+7%) and debt (+6%).
- Areas of advice that decreased in number in 2010/11 included consumer goods and services (a reduction of 18% in number of issues) and employment (-10%). This is likely to be due to a reduction in consumer spending resulting in fewer consumer goods problems, while the end of the recession is manifesting in fewer redundancy and dismissal issues.
- Citizens advice bureaux advised clients on over 203,000 new benefit issues in 2010/11 – an increase of 8%. This includes 64,000 issues concerning disability and sickness benefits which make up one in every nine issues that clients seek advice upon. Bureaux deal with an average of over 1,200 sickness and disability issues each week.
- Bureaux are reporting a significant increase in the assistance they are providing in benefit appeals. In 2010/11, bureaux helped clients to complete over 12,000 welfare tribunal documents and represented clients at 3,312 welfare tribunals (an annual increase of 58%). We estimate that representing clients at welfare tribunals took up around 2,366 working days of adviser time over the year.
- CAS is particularly concerned by the 33% increase in the number of new Employment and Support Allowance (ESA) issues that bureaux advised on in 2010/11. Advisers report that ESA issues are time consuming and stressful for both bureaux and clients.
- There was a reduction of 10% in employment issues in 2010/11. This is partly as a result of a relative decline in unemployment, but may also be explained by a reduction in the number of people seeking advice on in-work problems due to the fear of losing their job in a difficult jobs market.
- Client applications to charities for assistance nearly doubled in 2010/11. This may represent a worrying trend in clients requiring extra support, such as food parcels, that is not available in the welfare system.

# The Citizens Advice Service in Scotland

Citizens Advice Scotland and its CAB offices form Scotland's largest independent advice and advocacy network. Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 80 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.

Citizens advice bureaux achieve positive social outcomes for hundreds of thousands of clients each year by providing advice across a range of issues, including welfare, debt, employment, housing and utilities. For many clients, good advice has helped them to avoid negative outcomes such as homelessness, unemployment, bankruptcy, and mental health problems.

In 2010/11, citizens advice bureaux in Scotland achieved a financial gain of almost £126 million for clients based on funding of £16.3 million (including £7.6 million in core funding). This means that clients were better off by almost £8 for each £1 of funding given to bureaux. As well as achieving better social outcomes, advice leads to better financial outcomes for clients.

There are over 2,500 volunteers in the service who provide more than 18,000 hours of their time each and every week. Almost 700 paid staff provide management, support, administration and specialist advice work.

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.

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 almost £12 million.

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 2010/11, more than 235,000 clients brought new issues to bureaux in Scotland. The following findings are based on a sample of 10,000 clients that approached bureaux in Scotland for advice in 2010/11:

## Gender

The majority of bureau clients are female (57%). It is unclear whether women are more likely to need advice, more likely to seek advice, are more likely to seek advice on behalf of a partner or family or a combination of the above.

## 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

Four out of ten 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 almost a third are caring for children. One in nine clients is 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 eight clients is from a single parent household.

## Employment status

Almost half of bureau clients (44%) 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, three times as likely to be unemployed, but less likely to be retired or looking after family.

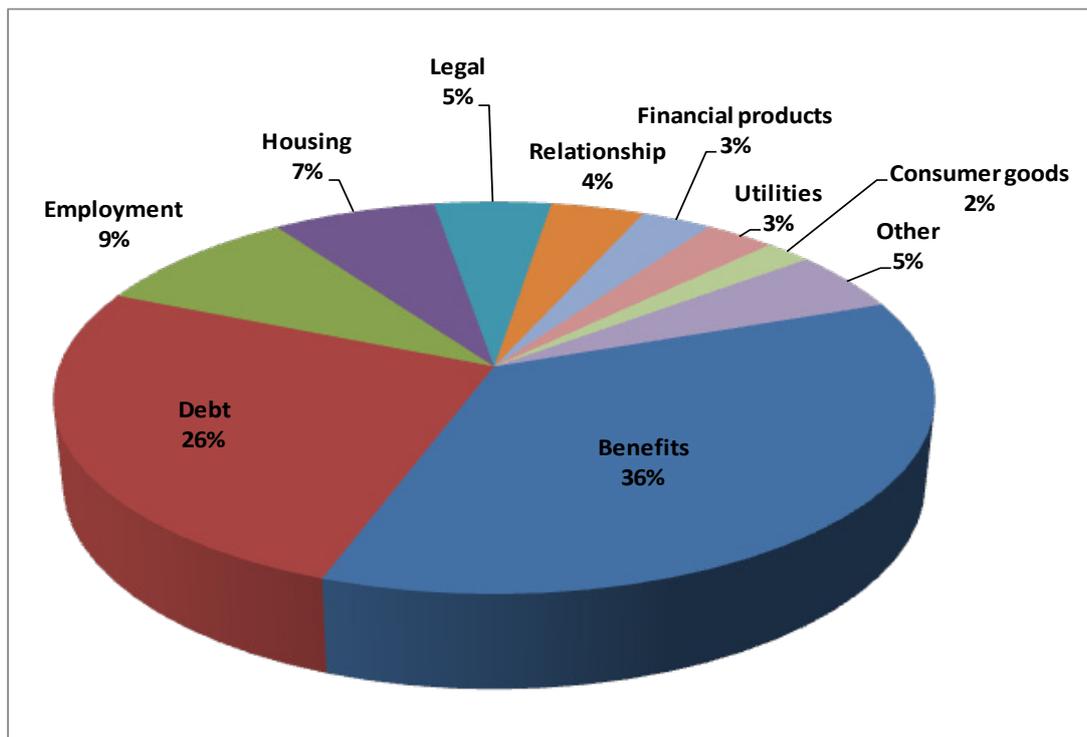
# Problems in Scotland

Citizens advice bureaux in Scotland helped clients with 560,603 new issues in 2010/11. This represented an increase of 3% or almost 15,000 issues since 2009/10. On average, bureaux advised on one issue a minute.

Bureaux are using 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 provide hitherto unseen findings based on information from hundreds of thousands of clients each year.

These issues cover a wide spectrum of advice needs, ranging from benefits to housing; from employment to debt; from consumer issues to utilities; and many more. Figure 1 outlines the broad types of problems that clients brought to bureaux in 2010/11:

**Figure 1: Main types of problems**



Benefits and debt issues make up almost two thirds (62%) of the issues that clients seek advice upon, up from 60% in 2009/10. Employment decreased slightly as a proportion of all issues, while legal issues have increased slightly and are now more common than relationship issues.

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, as shown in Table 1, over the page.

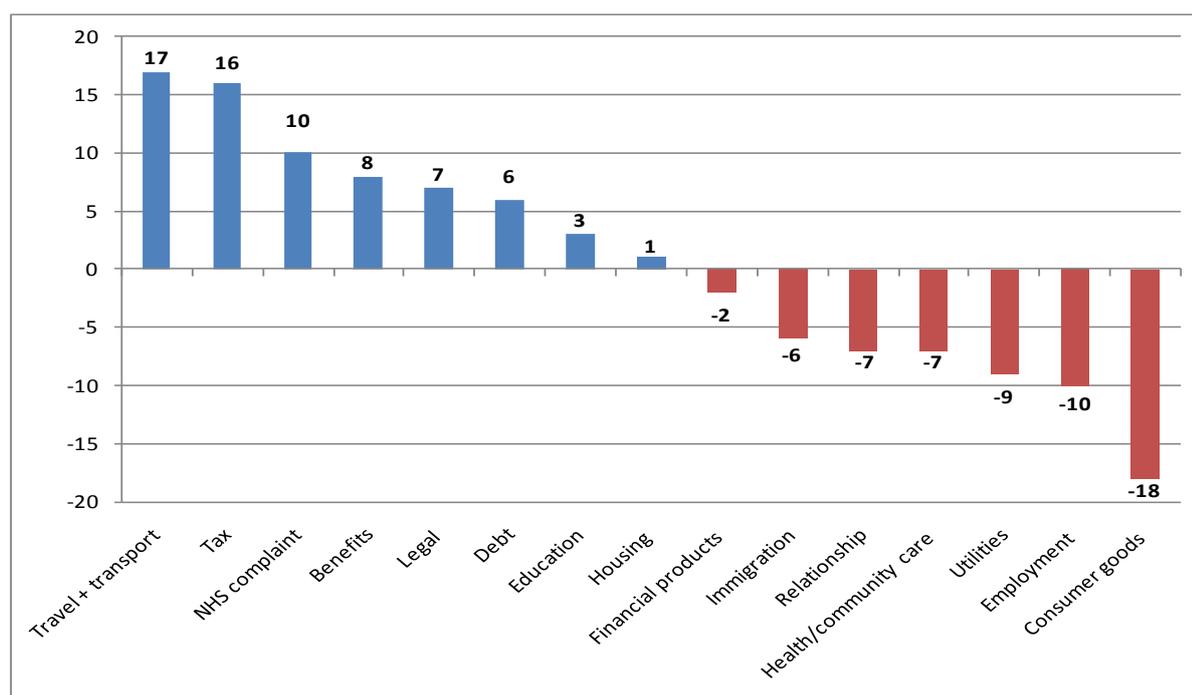
**Table 1: Top 10 most common problems**

Rank	Issue	Number of issues	Change since 2009/10
1	Credit, store and charge card debts	26,489	-2%
2	Personal loan debts	21,515	+7%
3	DLA (Care)	20,222	+3%
4	Employment and Support Allowance (ESA)	19,536	+33%
5	Housing Benefit	18,769	+8%
6	DLA (Mobility)	18,216	+2%
7	Debt remedies	17,992	+14%
8	Council Tax Benefit	15,805	+3%
9	Council Tax arrears	13,734	+4%
10	Jobseekers Allowance (JSA)	12,006	+3%

The most common issues that clients seek advice on all concern debt or benefits. Compared to 2009/10, Employment and Support Allowance (ESA) has moved from being the eighth most common issue to the fourth. Jobseekers Allowance (JSA) is the only new issue in the list with employment pay dropping out of the list. Over the last year, the ten most common issues brought to citizens advice bureaux had an average increase of 7% overall in number of issues. The 188 types of issues outside of the ten most common issues had an average increase of just under 1%.

Figure 2 shows the percentage change in the last year in the number of issues that clients sought advice upon based on broad types of problems:

**Figure 2: Percentage change in number of issues**

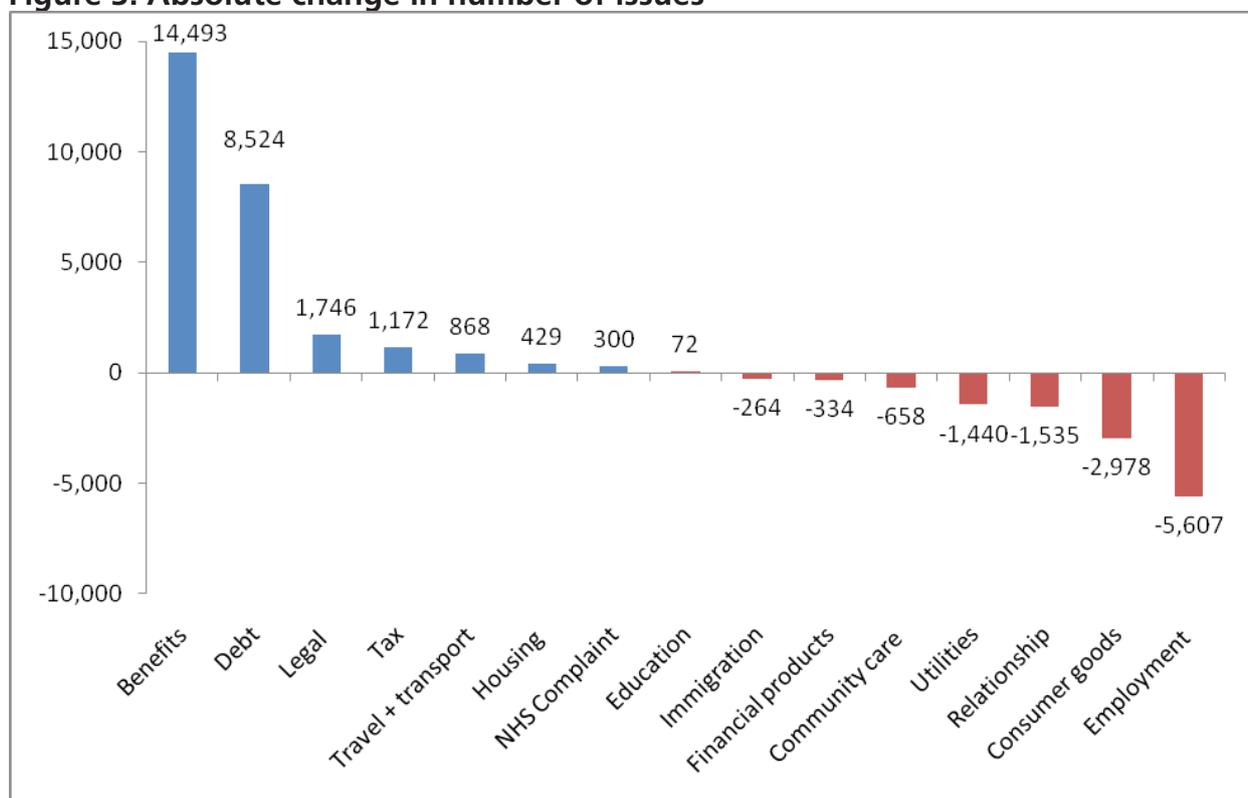


Problems concerning tax increased significantly due mainly to the well publicised problems concerning the calculation of Income Tax. The main driver in increase in travel and transport issues appears to be an increase in blue badge issues. Legal issues have risen as bureaux have increased the representation that they provide in court and tribunal cases on behalf of clients. This will be further explored later in this briefing.

Issues concerning consumer goods and services decreased in number between 2009/10 and 2010/11. There are a number of possible reasons for this, although it is likely that the current squeeze on incomes is reducing expenditure on consumer goods and therefore resulting in fewer consumer good issues. The number of employment issues that clients sought advice upon decreased by 10% in 2010/11. Out of work problems – such as redundancy and dismissal – decreased which is to be expected as unemployment in Scotland plateaued during this period. In work problems also reduced which may suggest that clients are less willing to challenge employers in case they lose their jobs in a tough labour market.

Figure 3 shows the absolute change in the number of issues that clients sought advice upon by broad type of issue. The figure shows that the overall increase in the number of issues was mainly driven by increases in the number of benefits and debt issues. Employment was the main area in which the number of issues decreased.

**Figure 3: Absolute change in number of issues**



Looking in greater detail at the main issues brought to bureaux, we can see the ten single issues that had the highest proportional increases in 2010/11:

**Table 2: Top 10 highest proportional increases in 2010/11**

Issue	2009/10	2010/11	% change
Charities	1,215	2,343	+93%
Income Tax	3,818	5,326	+39%
ESA	14,713	19,536	+33%
TV/telephone/broadband packages	670	842	+26%
Small claims proceedings	3,247	4,023	+24%
Homelessness – local authority service	1,598	1,901	+19%
Social Fund Funeral Payment	1,021	1,214	+19%
Summary cause proceedings	2,103	2,443	+16%
NHS clinical treatment	842	979	+16%
Telephone debts	3,418	3,899	+14%

The number of issues concerning charities almost doubled in prevalence in 2010/11. The increase can be attributed to applications for charitable support (such as food parcels and furniture) and particularly applications for Macmillan Grants. This issue only makes up a small proportion of the total, but the increase may represent a worrying trend in clients needing additional support.

Income Tax issues increased significantly during the year mainly due to the high number of bills and rebates that clients received during the year. Access to justice issues feature in the list with small claims proceedings, summary cause proceedings, and welfare tribunals issues increasing. Related to this, ESA issues increased significantly during the year mainly due to the heavy workload caused by ESA appeals and tribunals.

Table 3 outlines the issues that saw the largest proportional decreases in 2010/11.

**Table 3: Top 10 largest proportional decreases in 2010/11**

Issue	2009/10	2010/11	% change
Redundancy	7,185	5,283	-26%
New/secondhand vehicles	2,178	1,610	-26%
Unsecured loans (non-debt)	1,099	840	-24%
Electrical appliance	2,063	1,606	-22%
Incapacity Benefit	7,579	5,996	-21%
Public transport	831	666	-20%
Bank accounts	4,202	3,494	-17%
Building repairs/improvements	2,403	2,013	-16%
Child support (non resident parent)	2,786	2,347	-16%
Personal-related court proceedings	1,550	1,307	-16%

Table 3 shows that many of the issues that decreased in prevalence during this period concerned employment and consumer goods. Last year saw a spike in redundancy issues brought to bureaux during the tail end of the recession. The recent levelling out of unemployment is likely to have caused the drop in redundancy issues.

The number of consumer goods and services issues – particularly concerning new/second hand cars, electrical appliances and building improvements – has decreased in this period, which is likely to be caused by a decrease in consumer spending.

The number of Incapacity Benefit issues has decreased in this period as claimants are reassessed and moved to Employment and Support Allowance (ESA). Taking IB and ESA together, we can see that there was a 15% increase in the number of sickness benefit issues advised on in 2010/11.

### **Advice in more detail**

This briefing now looks in more detail at the types of advice that clients require at citizens advice bureaux under the following headings:

- Benefits
- Debt
- Employment
- Housing
- Legal

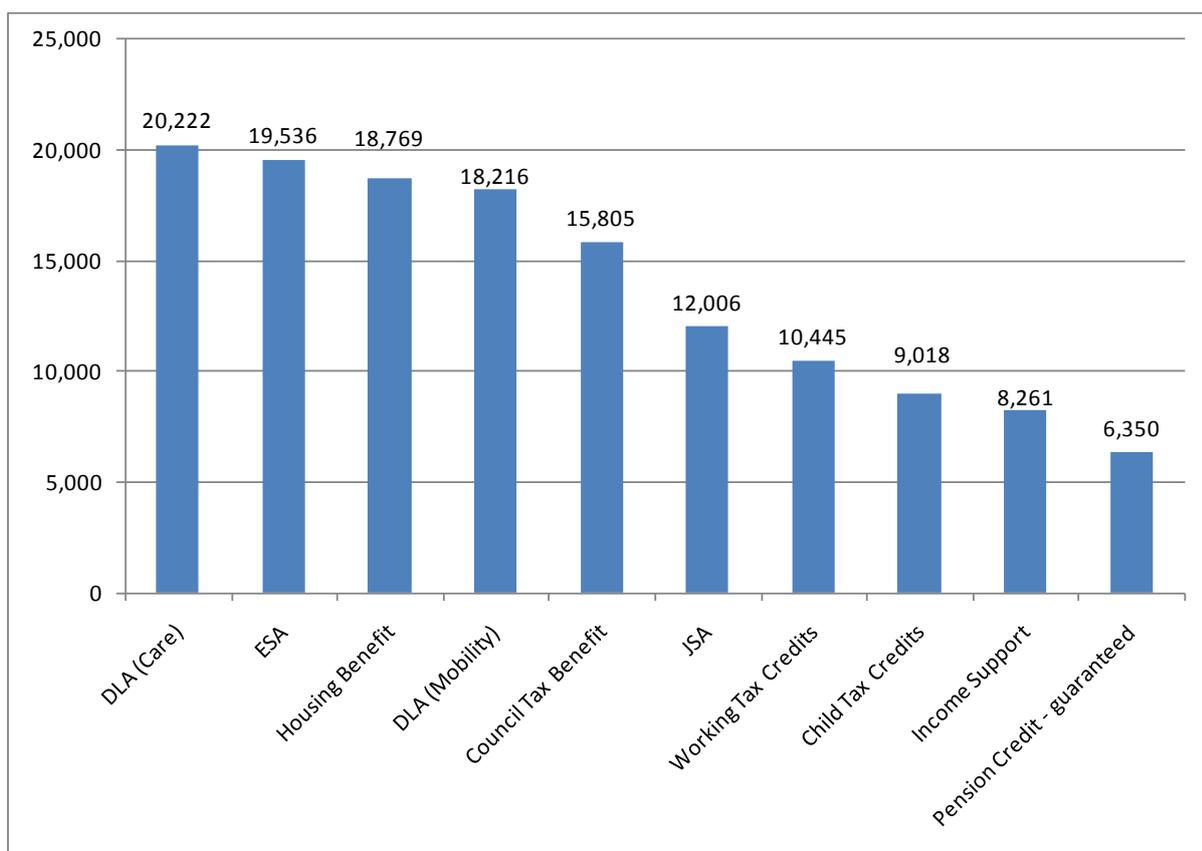
# Benefits

Citizens advice bureaux advised clients on over 203,000 new benefit issues in 2010/11 – an increase of 8% on the previous year. This equates to an average of almost 4,000 new benefit issues each week. Based upon a sample of 11,494 clients who sought advice on a benefit issue in the last quarter of 2010/11, we can see a snapshot of their client profile:

- **Caring responsibilities:** One in eight clients seeking advice on benefit issues care for a family member with a disability
- **Housing status:** 41% of clients seeking benefit advice live in social housing; 36% live in owner occupier housing
- **Household type:** One in seven benefit clients live in single parent households; just over half live in single adult households
- **Employment status:** A quarter of benefit clients are unable to work due to illness/disability; 31% of clients are in employment.

Figure 4 outlines the most common benefits that clients seek advice upon:

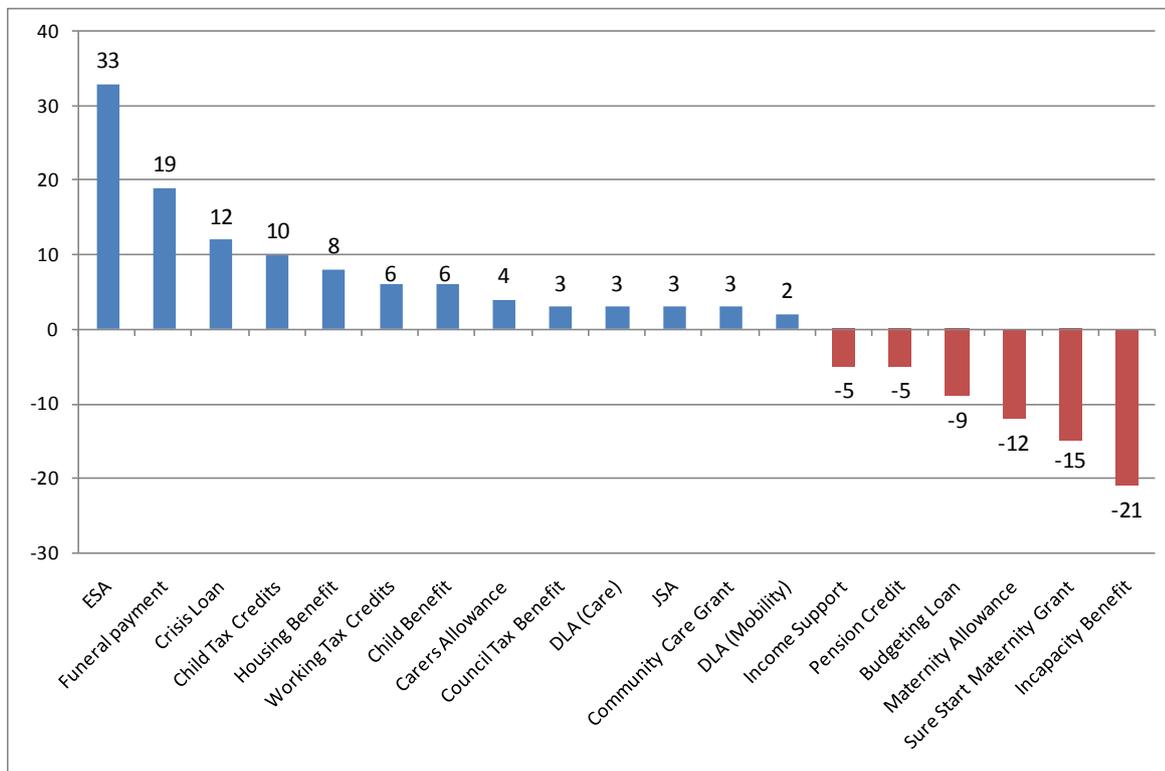
**Figure 4: Most common benefit issues**



Bureaux advised on almost 64,000 new disability or sickness benefit issues in 2010/11 – an increase of 7% on the previous year. Issues with these benefits make up almost a third (31%) of all benefit issues that clients seek advice upon, and around 1 in 9 of all issues brought to bureaux. Bureaux deal with an average of over 1,200 sickness and disability issues each week.

Figure 5 shows the percentage change in the number of issues advised upon by type of benefit:

**Figure 5: Percentage change in number of issues by benefit**



Much of the increase in benefit issues in this period can be attributed to Employment and Support Allowance (ESA) issues, which increased by 33% during the last year (an increase of almost 5,000 new issues). ESA continues to be an issue of significant concern for both clients and advisers.

Elements of the Social Fund – including Crisis Loans, Funeral Payments, and Community Care Grants – increased as areas of advice need in 2010/11. This may be due to a tightening of the criteria for making a claim. Crisis Loans and Community Care Grants are due to be devolved to the Scottish Government in 2013.

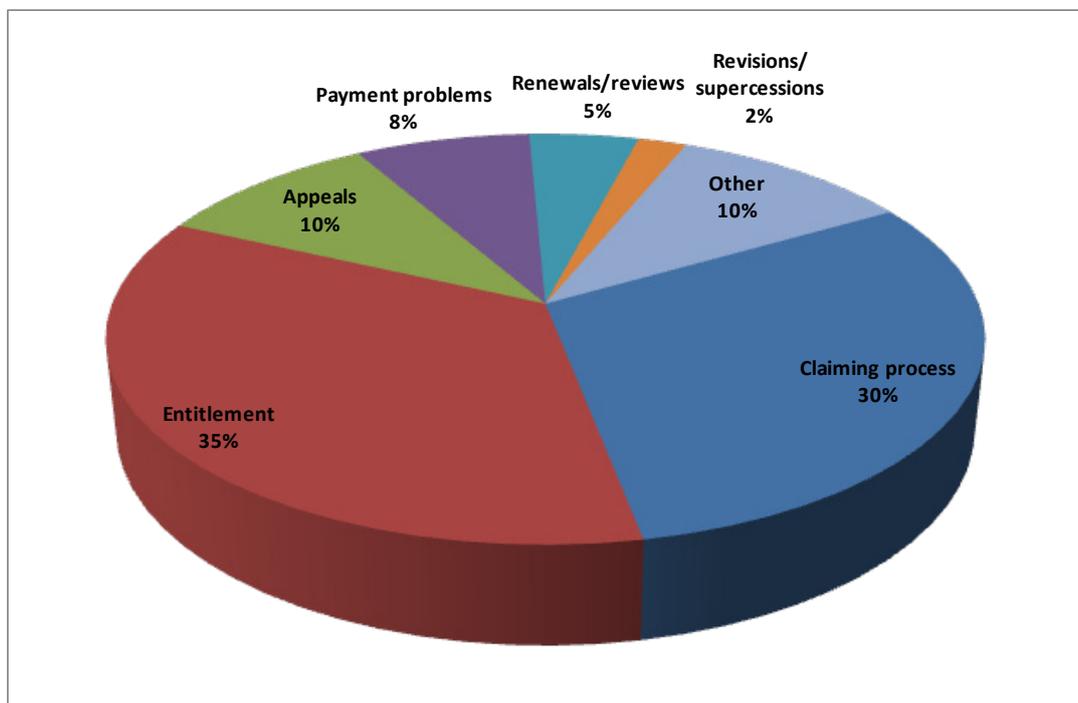
Issues concerning Child Benefit and Child Tax Credit increased in 2010/11. Anecdotally, advisers have reported that applications for these benefits are often subject to delays which are likely to be driving demand for advice.

Issues regarding Incapacity Benefit decreased in number in 2010/11 as new sickness benefit claimants apply for Employment and Support Allowance. Existing IB claimants will be reassessed for ESA over the next three years.

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 6 outlines the main areas of benefit advice provided by bureaux:

**Figure 6: Main areas of benefit advice**



The majority of bureau advice (65%) given on benefits concerns either entitlement or the claiming process. Advisers provide significant support to clients in making applications for benefits including help in completing tens of thousands of forms each year.

Appeals are becoming an increasing part of the workload for welfare advisers. While they only make up 10% of benefit issues, appeals and tribunals take a significant amount of adviser time and resources. In 2010/11, bureaux helped clients to complete 12,438 welfare tribunal documents and represented clients at 3,312 welfare tribunals (an increase of 58% on the previous year). The client was successful at 63% of these appeals.

Advisers estimate that each appeal takes around five hours of a welfare adviser's time in terms of gathering information, completing forms, and representation. Using this figure, we estimate that welfare appeals took up around 2,366 working days of advisers' time last year. Almost 1,500 working days were spent on successful appeals which could have been avoided with better decision making from welfare agencies. Bureaux are not funded directly for this work.

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 an average of 12 new issues for every 100 people claiming benefits in Scotland. This can be seen in Table 4, over the page.

**Table 4: Issues brought to bureaux by numbers of claimants**

Benefit	Claimants in Scotland (Feb 2011)	Issues brought to bureaux (2010/11)	Number of issues per 100 claimants in Scotland 2010/11
ESA	65,760	19,536	30
DLA	343,810	38,438	11
Carers Allowance	50,340	5,130	10
JSA	143,140	12,006	8
Income Support	170,540	8,261	5
Attendance Allowance	144,870	5,531	4
Housing Benefit	473,300	18,769	4
Incapacity Benefit	190,790	5,996	3
Pension Credit	271,890	8,667	3
Council Tax Benefit	560,470	15,805	3
All benefits	1,620,870	190,339	12

From this we can assess 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 one new issue brought to bureaux per three claimants. For every 100 benefit claimants in Scotland, bureaux help with 12 issues on their behalf each year. On average, four 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 be a renewal or revision.

This calculation 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, using the ratio of ESA issues in 2009/10 and the increase in ESA claimants of 16,290 over the year leads to the calculation that bureaux would advise on an additional 4,887 new ESA issues over the year. The actual figure was an additional 4,823 ESA issues.

It is also worth noting that the ratio for each benefit was broadly static from 2009/10 and 2010/11. However, impending welfare reforms are likely to increase these ratios in the near future, particularly concerning Housing Benefit and Disability Living Allowance. Any increases in ratios will show the welfare benefits for which the need for advice is increasing.

## Benefits in detail: Employment and Support Allowance

ESA continues to be a significant area of concern for both clients and advisers. In 2010/11, bureaux helped clients with 19,536 new ESA issues – a 33% increase since 2009/10. ESA is now the fourth most common issue brought to bureaux.

Clients seeking advice on ESA issues have a distinct client profile compared with other clients and the population in general. Based on data gathered on 1,328 clients who sought advice on ESA in the last quarter of 2010/11, we can see a snapshot of the profile of clients who experience problems with their ESA claim:

- **Age:** almost three quarters of ESA clients are aged between 35 and 59 while almost half are aged between 45 and 59. For 45 to 59 year olds, sickness and disability benefits make up one in every five issues they seek advice upon at citizens advice bureaux (compared to one in 13 issues for 25-34 year olds)
- **Gender:** There are more male ESA claimants (55% of the total) than female claimants (45%) in Scotland. However, slightly more female clients sought advice on ESA (51% of total ESA clients) compared to male clients (49%)
- **Housing status:** Just over half of clients seeking advice on ESA live in the social rented sector (52%) compared to around a third of all CAB clients (35%) and less than a quarter of households in Scotland (22%)
- **Household type:** Clients seeking advice on ESA are significantly more likely to live in single adult households (53% of clients) than the general population of Scotland (23% of households).

Significant numbers of clients are appealing their assessment for ESA which is placing huge pressure on bureau time and resources. We estimate that advisers provided representation at around 1,550 ESA tribunals in 2010/11 – around 30 each week. In 2009/10, we estimated that bureaux had undertaken around 850 ESA tribunals, indicating that representation by bureaux at ESA tribunals increased by 82% in 2010/11.

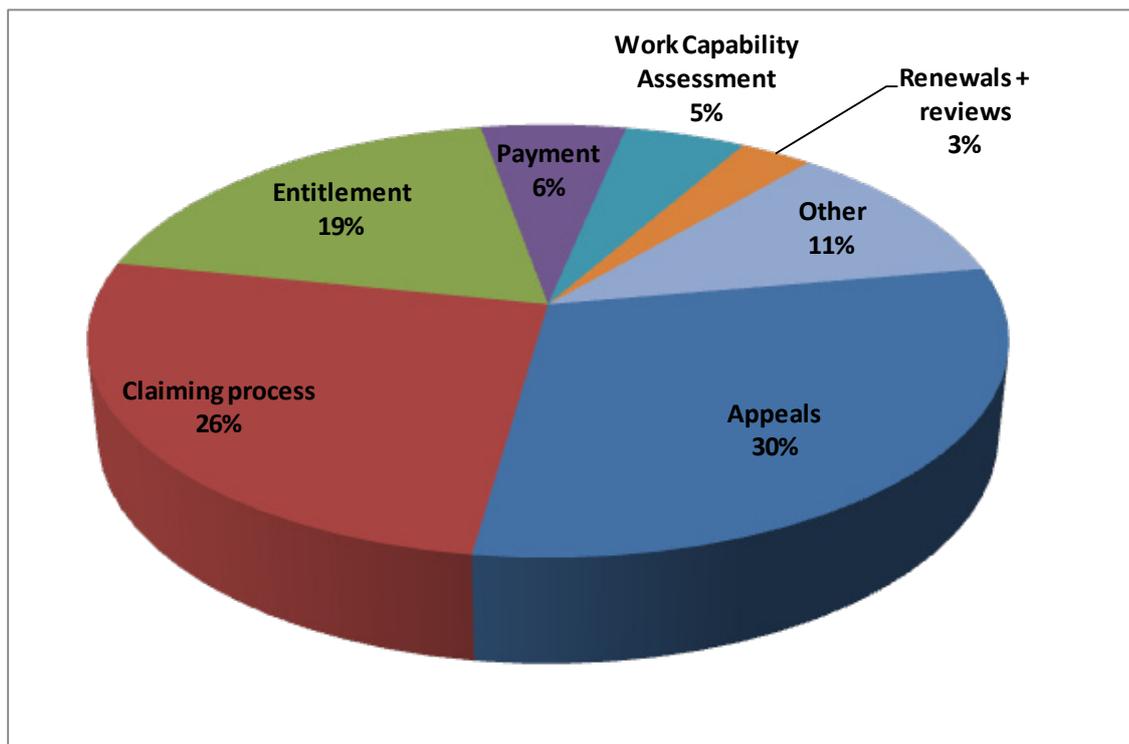
Welfare advisers estimate that one appeal takes about five hours of adviser time. This includes two or three interviews with the client, collecting medical evidence on behalf of the client, and drafting submissions for appeal. Applying this figure to the estimated total number of ESA appeals detailed above shows that the estimated 1,550 recorded tribunals would have taken over 1,100 working days of adviser time across the service. Employment and Support Allowance is therefore a huge issue for both clients and advisers.

Based on a sample of 269 ESA tribunals where a CAB provided representation in the first quarter of 2011/12, 69% of tribunals found in favour of the claimant. Using

this figure, we can estimate that claimants won around 1,070 of 1,550 ESA tribunals at which bureaux provided representation.

Figure 7 outlines the main areas of advice concerning ESA, showing that appeals make up almost a third of ESA issues (30%) compared to only 10% of issues for all benefits.

**Figure 7: Main areas of ESA advice**



We expect the demand for advice on ESA issues to further increase in 2011/12 and beyond. Existing Incapacity Benefit (IB) claimants began to be reassessed for ESA at the start of 2011/12. Over the next three years, nearly 200,000 existing claimants will be reassessed at a rate of over 1,000 each week. Using government estimates, around 30% of claimants will be found fit for work and a further 12% of claimants will be moved off ESA after twelve months in the Work Related Activity Group. All told, around four in ten IB claimants will be moved off sickness benefits in the next four years.

We expect this process to create a significant demand for advice from this client group. If the current issues/claimants ratio for ESA (30 new issues each year for 100 claimants) applies for the reassessed claimants, bureaux would deal with 60,000 new ESA issues for this group over the period of the reassessment. There is a concern that existing IB claimants will be even more vulnerable than new ESA claimants and consequently may experience more problems and require greater levels of assistance.

During 2010/11, 143,556 new debt issues were dealt with by bureaux in Scotland – a 6% increase since 2009/10. Bureaux helped clients with almost 400 new debt issues for every day of the year. Based upon a sample of 1,900 clients who sought advice on a debt issue in the last quarter of 2010/11, we can see a snapshot of their client profile:

- **Debt clients are more likely to be middle aged.** Clients seeking advice on debt are more likely to be aged between 35 and 59 (58% of all debt clients) compared to all clients seeking advice at a bureau (53%) and the Scottish population (43%)
- **Clients who are unemployed are likely to seek advice on debt.** Almost a quarter of debt clients are unemployed compared to less than a tenth of the Scottish working age population
- **Debt clients are likely to live in a single adult household.** More than half (52%) of debt clients live in single adult households (single adult, single parent or single pensioner) compared to less than a quarter of adults (23%) in Scottish households. This suggests that living on your own or being a single parent are risk factors for debt
- **Clients who are renting their home are more likely to seek debt advice.** 39% of debt clients are social renters (compared to 22% of Scottish households) and 17% are private renters (compared to 10% of Scottish households)
- **The majority of debt clients are single** (single, divorced, separated or widowed). Clients who are separated are significantly more likely to seek advice on debt than the average client
- **Clients with dependent children are more likely to seek advice on debt than those without children.** 36% of debt clients have dependent children compared to 31% of clients seeking advice at a bureau.

Figure 8, over the page, outlines the most common debts brought to bureaux in 2010/11. Consumer debts – including credit card and personal loan debts – continue to be the most common type of debt that clients seek advice upon. Around two-thirds (65%) of debts brought to bureaux are consumer debts. Council Tax arrears (13% of debts), housing arrears (10%), and utility debt (8%) are the other common types of debt.

**Figure 8: Most common debt issues**

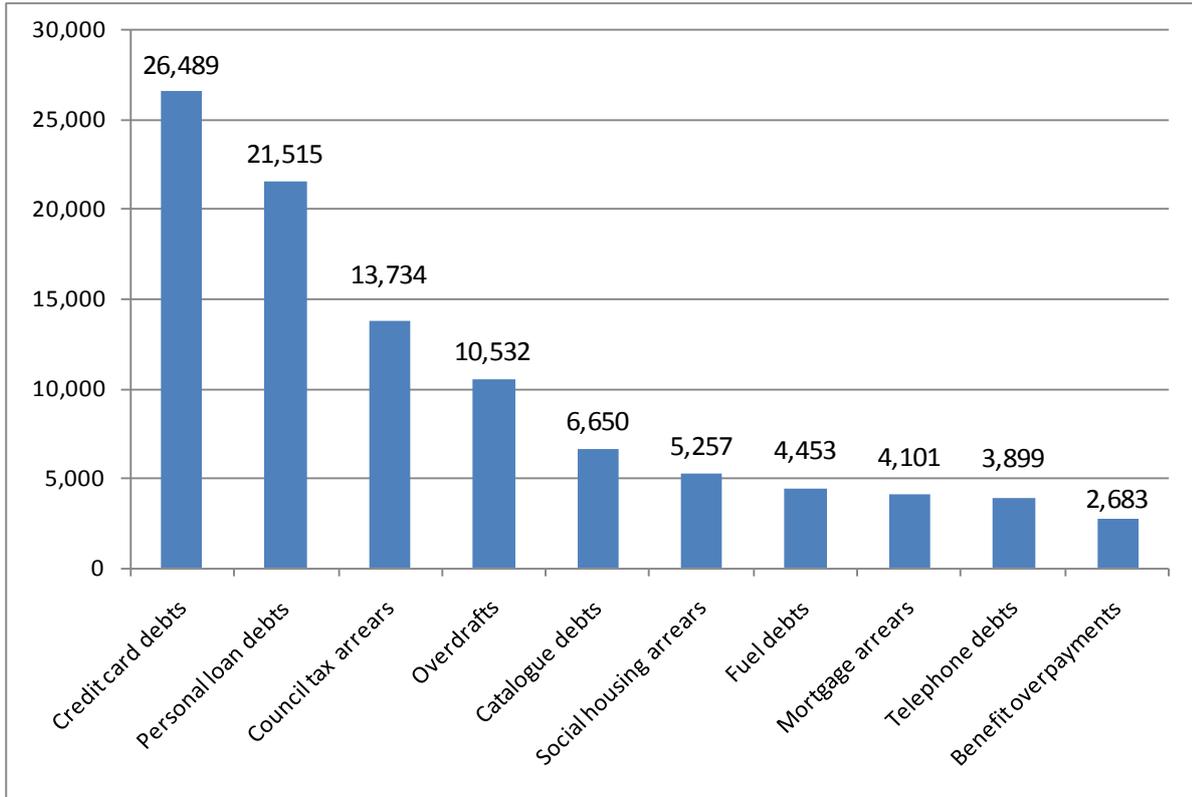
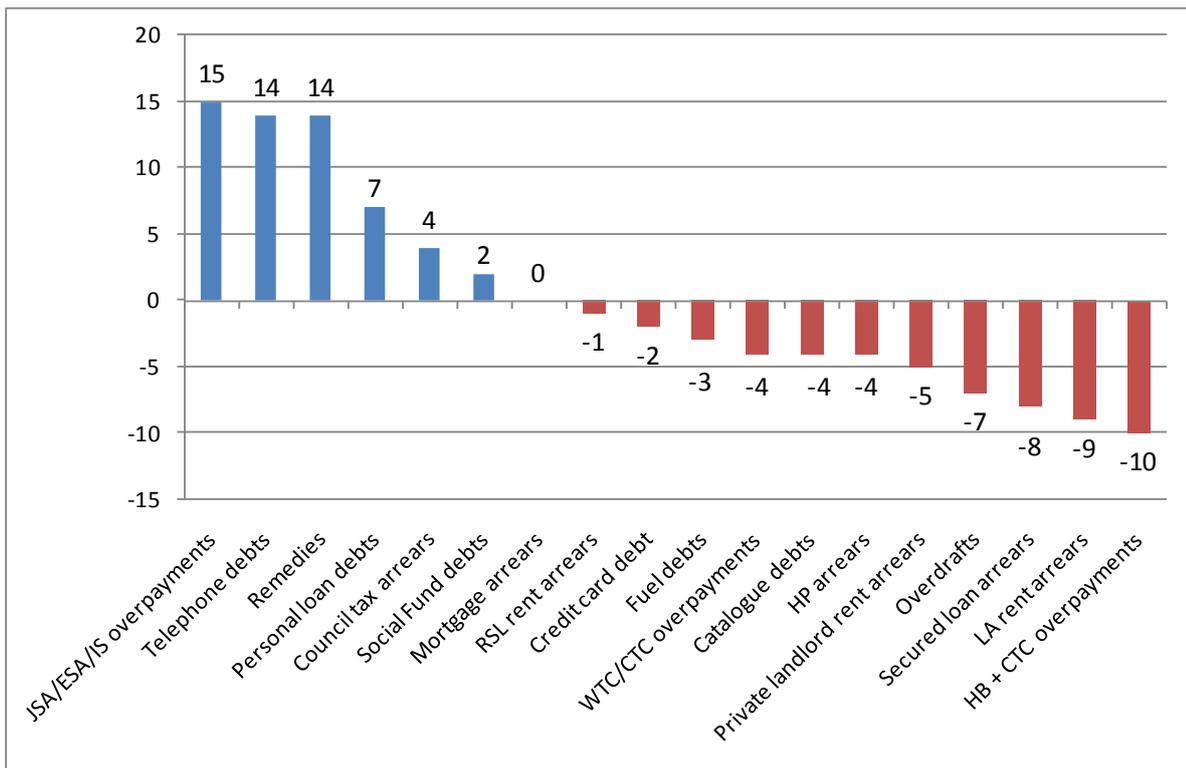


Figure 9 shows the percentage change in the number of issues advised upon by the type of debt issue:

**Figure 9: Percentage change in frequency of issues by type of debt**



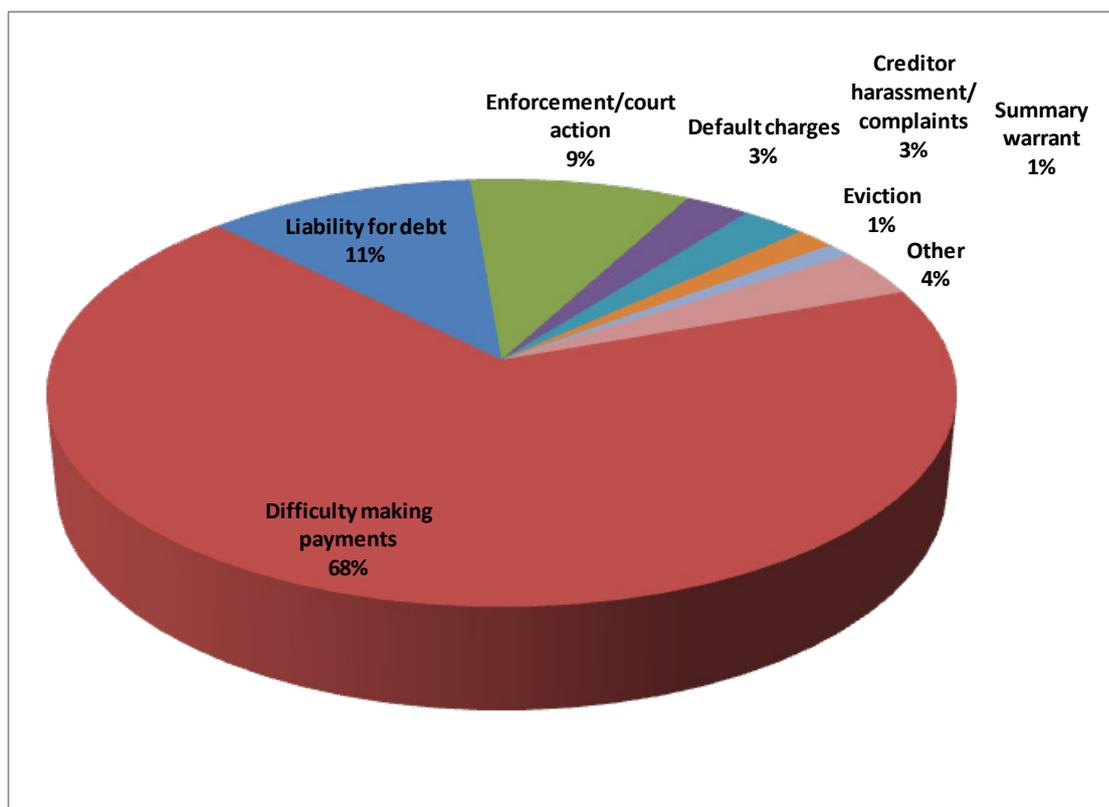
In terms of percentage increases in number of issues, overpayments for JSA/ESA/IS claimants increased in 2010/11 although this is still a relatively small area of advice (730 new issues). Telephone debts increased as an issue in this time period, particularly for young clients under the age of 25. Debts that saw a proportional decrease in this period included private and social landlord rent arrears and overdraft debts.

In terms of absolute increases in issues, personal loan debts (2,182 additional issues) and council tax arrears (530 additional issues) were the most significant.

It is worth noting that the number of debt remedy issues – including the Debt Arrangement Scheme (DAS), the Low Income Low Asset (LILA) route to bankruptcy, the Certificate for Sequestration and Protected Trust Deeds – rose by 14% in 2010/11, showing that advisers are helping more clients to access debt solutions.

Figure 10 outlines the main areas of advice that clients required regarding their debt problems. Over two thirds of issues concerned difficulty making payments on a debt, while a smaller number resulted from action taken by a creditor such as enforcement/court action (9%), default charges (3%) and creditor harassment (3%). Compared to 2009/10, the number of court action and enforcement issues brought to bureaux has increased which suggests that creditors are taking more formal action than previously to recover debts.

**Figure 10: Main areas of debt advice**



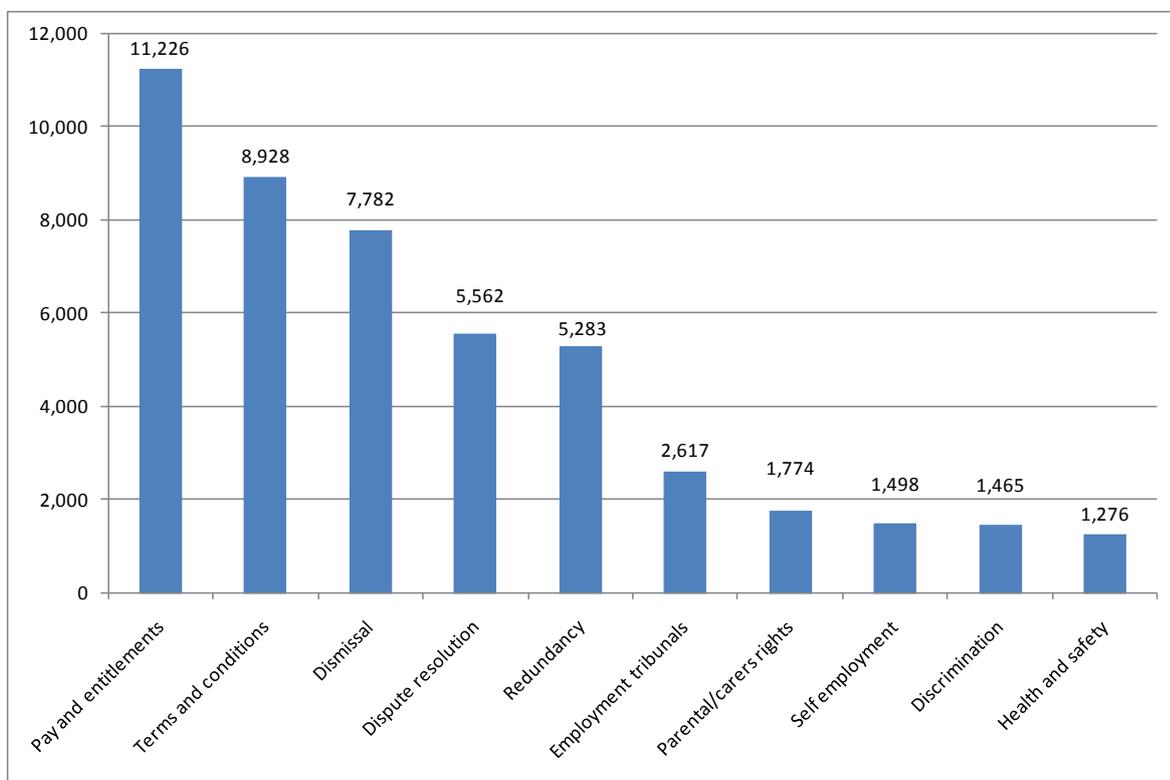
# Employment

Scottish bureaux helped clients with 50,756 new employment issues in 2010/11. This was a 10% reduction in employment issues since 2009/10. Based upon a sample of 11,519 clients who sought advice on an employment issue during 2010/11, we can see a snapshot of their client profile:

- **Clients with employment issues had a younger profile:** One in six clients with employment issues were under the age of 25 (compared to one in eleven for all issues)
- **The majority of clients were female:** Over half of employment clients (56%) were female
- **Clients with employment issues are less likely than the average to live in social housing:** 23% of employment clients lived in social rented housing compared to 35% of all clients
- **The majority of clients with employment issues are in employment:** 49% of clients with employment issues are in full time employment and 19% are in part-time employment.

The top 10 employment issues brought to bureaux are shown in Figure 11:

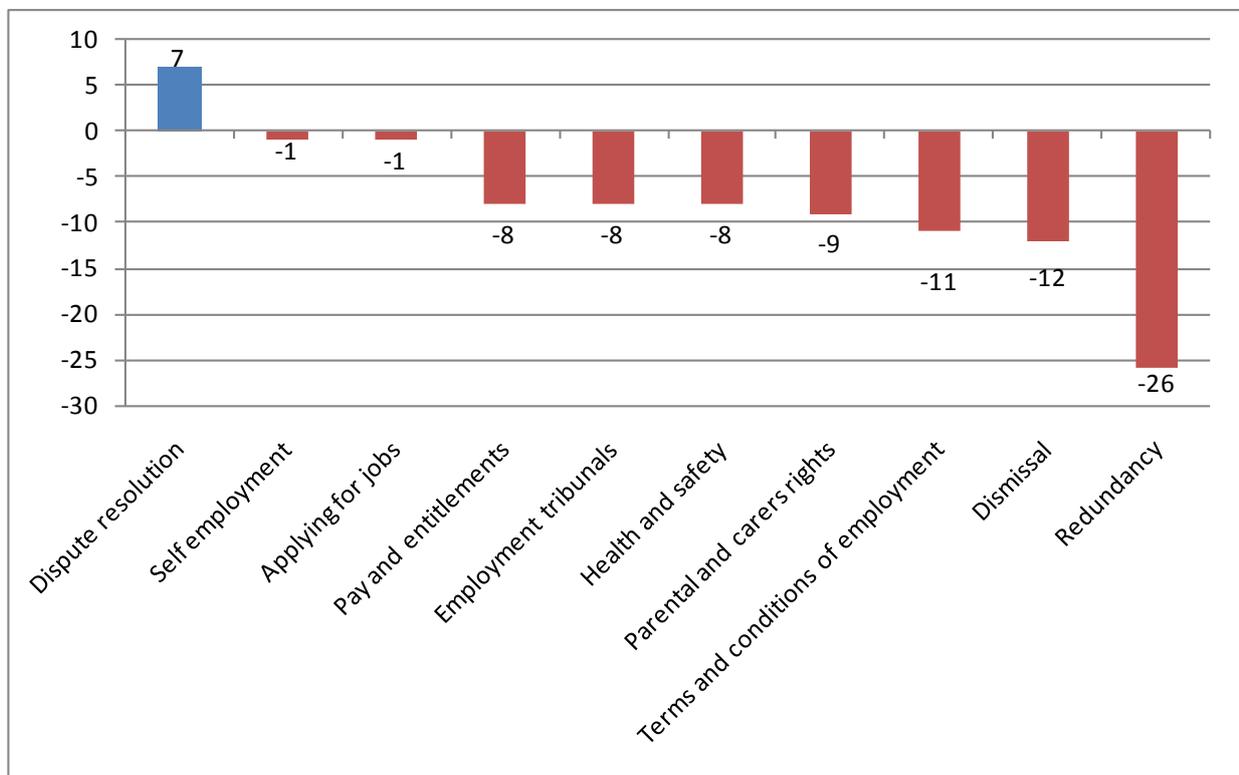
**Figure 11: Most common employment issues**



Just under two-thirds (63%) of employment issues that clients seek advice upon are in-work problems, such as pay, terms & conditions, and health & safety. This is an increase from 60% of employment issues in 2009/10. Even during the height of the recent recession, in-work employment problems were more common than out of work problems in bureaux.

The number of employment issues brought to bureaux reduced for both out of work issues (a reduction of 16%) and in work issues (a 6% reduction). The biggest decreases in employment issues came in redundancy (-26%) and dismissal (-12%) with only dispute resolution (+7%) seeing a rise in the number of issues brought to bureaux. This is shown in Figure 12:

**Figure 12: Percentage change in frequency of issues by employment issue**



It is unsurprising that out of work issues decreased in 2010/11 as the country emerged from recession in this period and redundancies started reducing. However, the relative reduction in in-work issues is perhaps surprising. From case evidence, we believe that this is unlikely to represent better employer practice and is more likely to be a product of clients being less willing to challenge employers in case they lose their jobs in a tough labour market.

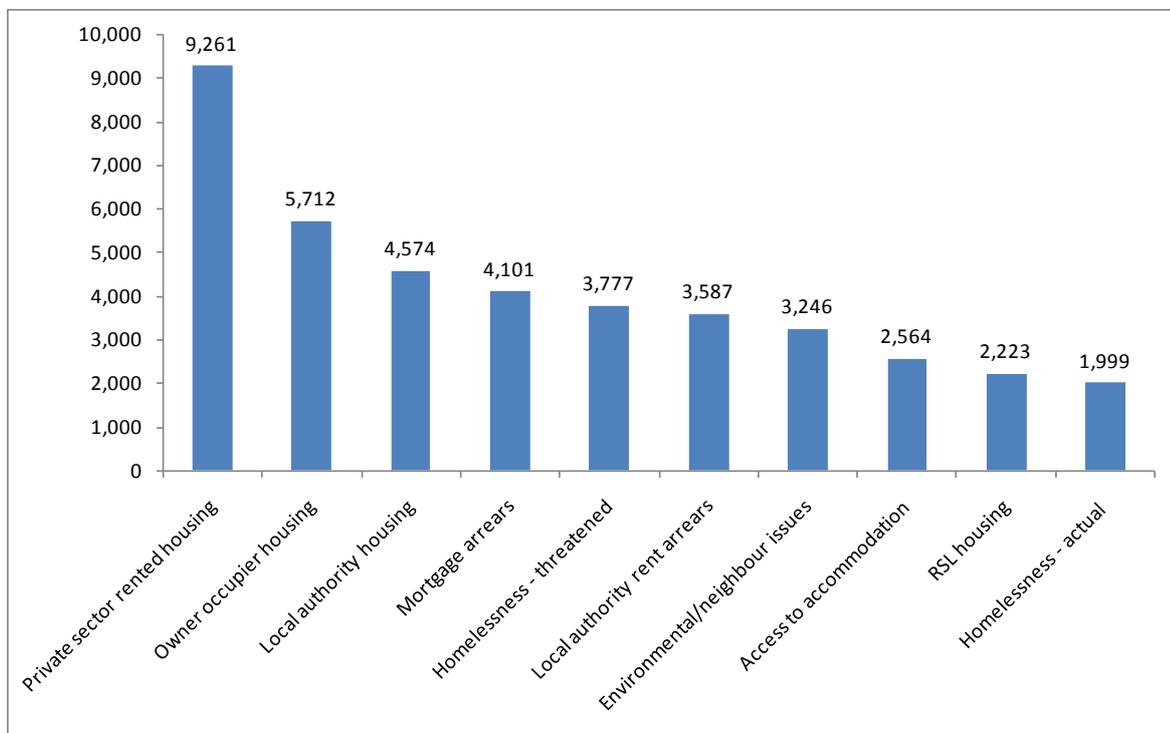
# Housing

Scottish bureaux dealt with 47,526 housing issues in 2010/11. This was a very slight increase on the previous year. Based upon a sample of 9,978 clients who sought advice on a housing issue during 2010/11, we can see a snapshot of their client profile:

- **The majority of clients were female:** Over half of housing clients (61%) were female
- **Clients with housing issues had a younger profile:** One in seven clients with housing issues were under the age of 25 (compared to one in eleven for all issues).
- **Clients with housing issues were less likely to be in a relationship:** 63% of housing clients were single (divorced, widowed, separated or single)
- **Private rented tenants made up a disproportionate amount of clients with a housing problem:** 28% of clients with a housing problem were private renters compared to 11% of all clients visiting a bureau for advice.

Figure 13 shows the top 10 areas of housing problems brought to bureaux in 2010/11:

**Figure 13: Most common housing issues**



Private rented sector housing remains the biggest source of housing problems for bureau clients despite only a minority of clients living in the sector. This strongly suggests that aspects of the sector are causing significant problems for clients. However, clients in private rented housing are less likely than clients in other sectors to report housing arrears. Both mortgage and social housing arrears were much more common than private rent arrears.

Figure 14 shows the the percentage change in the number of issues advised upon by the type of housing issue:

**Figure 14: Percentage change in frequency of issues by housing issue**

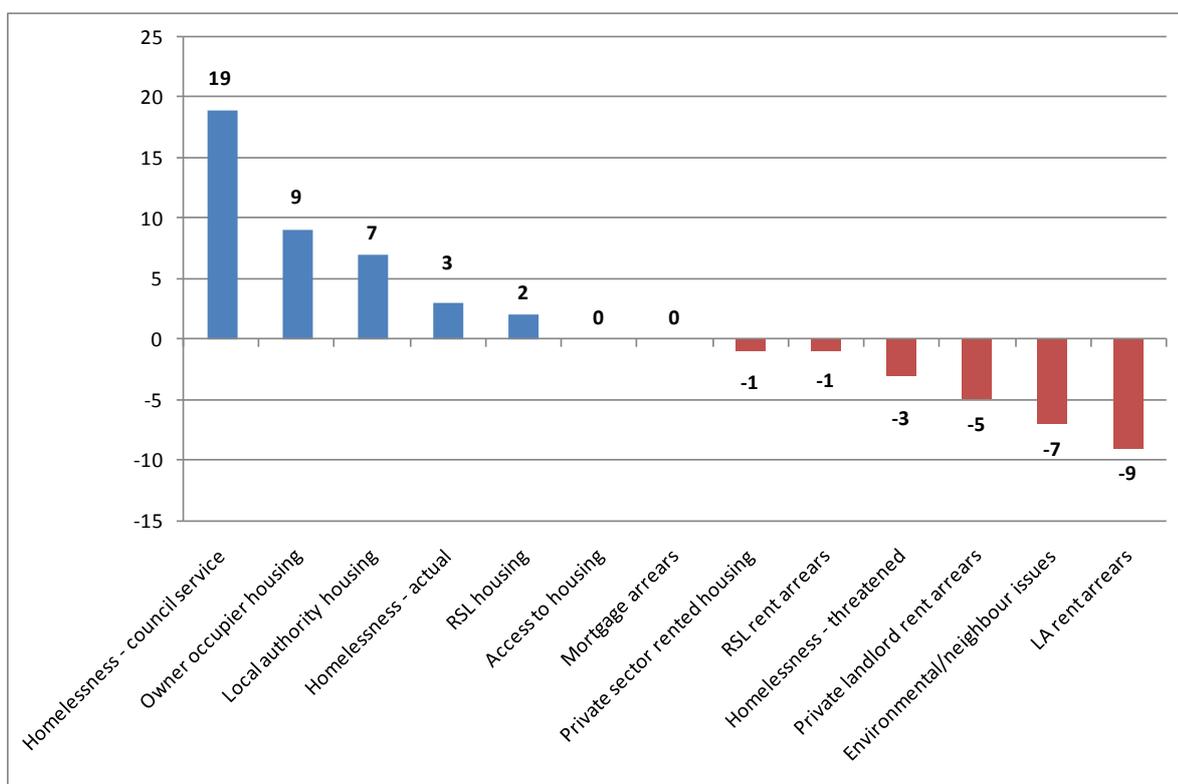


Figure 14 shows a changing picture of housing problems. Issues concerning homelessness rose slightly (+3%) mainly caused by an increase in issues regarding local authority homelessness services which increased by 19%. The number of housing arrears issues fell by 4% on the previous year, although the number of housing issues not relating to arrears rose slightly.

Citizens advice bureaux are a key part of the wider landscape of publicly funded legal advice, helping clients with thousands of legal issues each year and also resolving thousands of issues before they reach the legal stage. Bureaux operate nine in-court advice projects across the country and represent clients at thousands of tribunals and court cases each year.

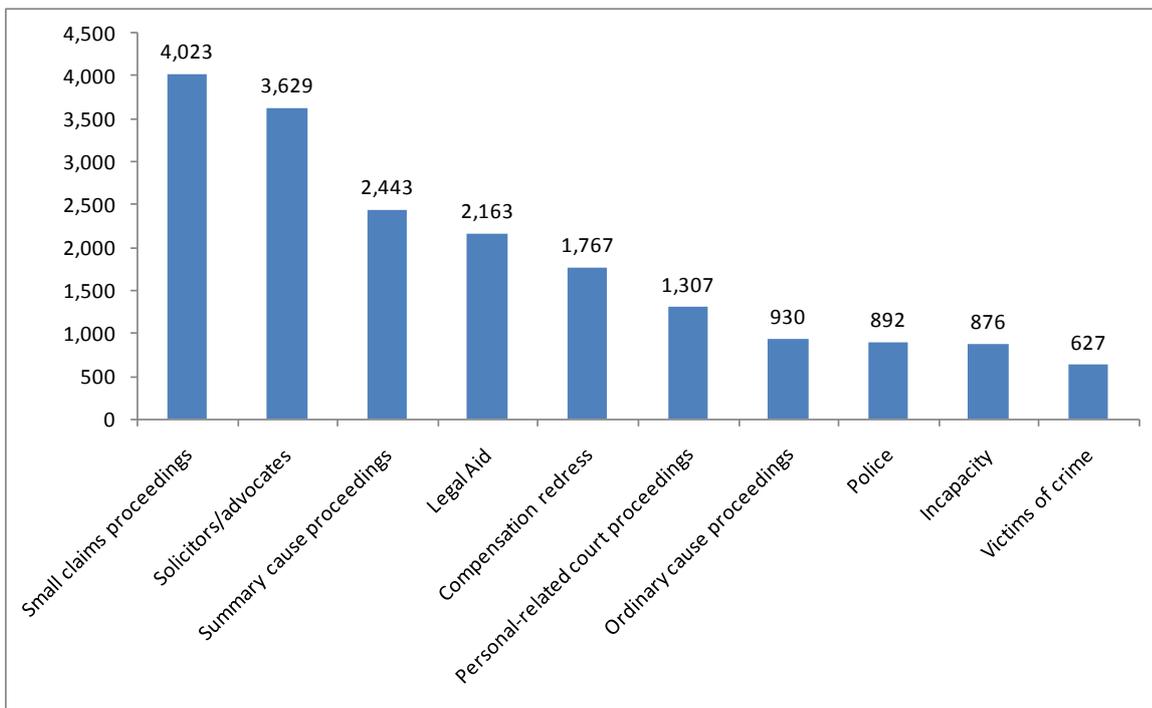
# Legal issues

Citizens advice bureaux advised on 25,769 new legal issues in 2010/11 – an increase of 7% on the previous year. Based upon a sample of 5,872 clients who sought advice on a legal issue during 2010/11, we can see a snapshot of their client profile:

- **Clients with legal issues are more likely than the average to be in owner occupier accommodation:** 47% were in owner occupier accommodation (compared to 40% of all clients) and 28% lived in social housing (compared to 35% of all clients)
- **Clients with legal issues were more likely to be employed:** 49% of clients with legal issues were in employment compared to 44% of all clients.

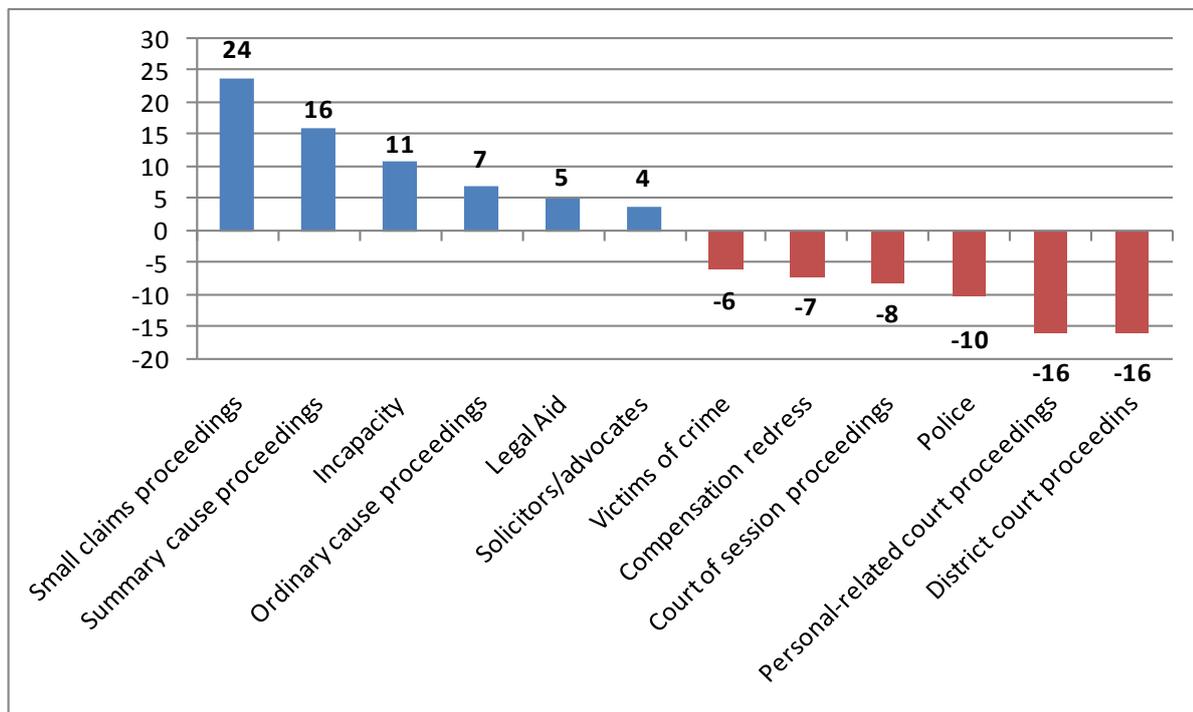
Figure 16 shows the top 10 areas of legal problems brought to bureaux in 2010/11:

**Figure 16: Most common legal issues**



The legal issues that clients seek advice upon cover a wide range of issues, including small claims proceedings, access to (or problems with) solicitors, summary cause proceedings (often involving eviction proceedings) and legal aid. Figure 17, over the page, outlines the legal issues that have increased as advice areas in 2010/11, which shows that smalls claims and summary cause proceedings saw significant increases in prevalence during the year.

**Figure 17: Percentage change in frequency of issues by legal issue**



Citizens advice bureaux provide significant support and representation for clients with many legal issues, including benefit tribunals, employment tribunals, small claims cases, and repossession proceedings. The number of tribunals at which CAB provided representation increased to over 4,000 in 2010/11 – an increase of 87% since 2009/10. The number of court/tribunal documents prepared by CAB more than doubled to over 16,000 in 2010/11. Over the same time period, the number of cases involving bureau representation increased by 27% to over 30,000 cases. The financial gain for clients as a result of bureau representation and assistance was £14,169,788 in 2010/11 – an average financial gain of £2,666 per client. It is likely that many of these clients would have struggled to access justice without the assistance of the bureau.

This increase in representation was mainly driven by a 58% increase in the number of welfare tribunals at which an adviser provided representation. The client was successful in 63% of these tribunals. This volume of activity represents a huge draw upon the limited resources of the CAB service in terms of time and places a great strain on the service to assist every client requiring assistance.

# Conclusion: the value of advice

People and services in Scotland are at a critical juncture. The economy may have tentatively left the recession, but continuing economic uncertainty, falling standards of living, public spending reductions, and impending welfare reform, will all have an impact on people and services across Scotland. The country faces a number of key decisions on public spending that will determine whose shoulders this impact will fall upon.

Advice has a fundamental role to play in times of uncertainty and hardship. Good advice can prevent outcomes that are expensive for the taxpayer and are disastrous for the person and families experiencing them, such as homelessness, poor mental health, bankruptcy, and unemployment. Advice works and pays for itself through better outcomes for the client and for the public purse. In an era of public spending cuts and a squeeze in personal income, good advice is more important than ever.

Citizens advice bureaux dealt with a record number of new issues on behalf of clients in 2010/11. We expect the demand for advice to increase in the short and mid term as economic turmoil and public spending reductions hit home. Citizens advice bureaux are determined to meet the extra demand for advice and must be supported to do so.



Citizens Advice Scotland and its member bureaux form 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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