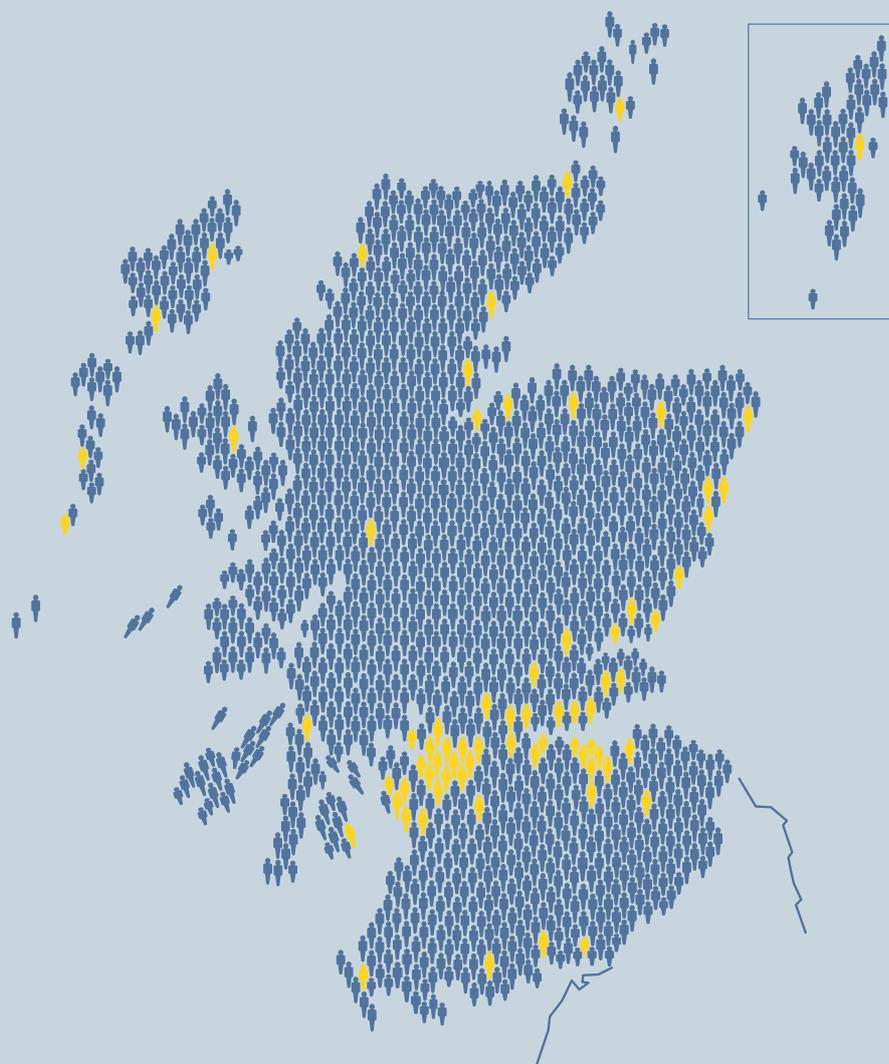


# Citizens Advice Scotland

## Annual Report 2011/12





# Introduction

By Dominic Notarangelo



Citizens Advice Scotland is the umbrella organisation of the Citizens Advice Bureau (CAB) movement in Scotland. Our key aims are to support local CAB offices across Scotland, and to use CAB evidence to exercise a responsible influence on public policy.

We therefore work hard to support the day-to-day work of every CAB in Scotland, helping them to help their clients. And with the ability to draw on the bank of CAB case evidence nationwide, we also offer a unique perspective on national issues and are a major player in national policy debate.

Though the financial climate has been tougher than ever, with massive funding cuts and significant changes to the policy landscape, the year 2011/12 saw CAS operate once again at a high level in all of these activities, and I am proud to set out this account of our work in that year.

In particular, we are pleased to have been able to secure a total of £2.49m new funding that helped enable bureaux to do their work in this year. This included:

- £730,000 for new Information Technology equipment.
- £254,876 in Development funding for bureaux;
- Funds of £1,506,864 to support the vital project work that bureaux do.
  - £276,557 for the Money Advice Service (MAS)
  - £161,656 for the Armed Services Advice Project (ASAP)
  - £652,794 for the Independent Advice and Support Service (IASS)
  - £415,857 in various other funds.

# REPORTS BY SECTION:

## *Development*

Our Development team takes responsibility for delivering immediate support to every individual CAB in the country, ensuring a consistent and high quality service for both the bureau and their clients.

Work undertaken by the development team in 2011/12 included high intensity support for 12 bureaux in 'crisis' situations, support and guidance for 12 bureaux undertaking tendering bids for core services, support and induction for more than a dozen new managers, and ongoing support for management committee members (including induction training for new members). We also provided support for bureaux who were in negotiation with councils and other key funders on issues relating to core funding, staff transfer, future advice planning, impact assessment, contribution to outcome agreements, etc.

Our Development team also co-ordinated a number of national projects and helped bureaux implement these locally. We successfully negotiated the new Patients Rights service, for example, managed the development of the Money Advice Service Face-2-Face project, developed the Armed Services Advice Project and planned for its expansion, and negotiated the continuation of MATRICS and Kinship Care projects. The value of this project work to the bureaux service is a total of more than £2 million per annum, of which the great majority of funds are directly distributed to bureaux.

In addition, our Development team also co-ordinated a variety of smaller initiatives which provided bureaux with more resources – e.g. projects to deliver advice on energy, financial inclusion and peer to peer advice - all of which are designed to ensure better financial capability. Total funds brought into the service to undertake this type of work was more than £100,000.

## *CAS Annual Conference*

After a two-year gap, our Annual Conference in 2011 took an innovative form, as part of the annual 'Gathering' held by the Scottish Council of Voluntary Organisations (SCVO). Though our conference was recognisably our own event, with CAS-only sessions and speakers, this enabled us to physically meet within the much larger community of others from the third sector.

Delegate feedback showed that the conference was once again a success, and that holding it within the Gathering had afforded our members the opportunity to see the CAB movement in the context of the wider voluntary sector community. Over the two days, the wide-ranging sessions allowed members to discuss our social policy priorities, consider the new challenges facing the movement and interact and learn from the experiences of other bureaux.

## *Policy and Public Affairs*

In addition to supporting bureaux in their day-to-day work, another key role of CAS is using CAB evidence to lobby for changes in public policy and legislation, and to demonstrate the difference the service makes. Through 2011/12 we developed a new way of meeting this second aim, which includes more streamlined evidence reports.

In terms of our Public Affairs output, we delivered over 60 publications, 80 national press releases and 67 media interviews, highlighting issues of concern to bureaux clients and the wider Scottish public. Our social policy and evidence reports are consistently well-received and have a high reputation in the media and the political community in Scotland.

CAS Social Policy work always reflects bureaux and client priorities, and so much of our work over this period was focused on the UK government's welfare reforms.

- We published a number of reports and briefings on benefits during the year, including the From Pillar to Post report on the Employment and Support Allowance (ESA) migration and The Impact of the Welfare Reform Bill on Scotland's People and Services report as part of our evidence to the Scotland Bill Committee on welfare reform.
- We provided oral evidence to parliamentary committees on four occasions, highlighting the impact of welfare changes on Scotland's people and places. In addition, we responded to 10 Government consultations on benefits.
- Our response to the Scottish Budget and Spending Review in 2011 highlighted the dangers of falling public expenditure alongside impending welfare reform.
- We presented written evidence to five Scottish Parliament Committees outlining our concerns about the impact of welfare changes on Scotland's people and services at a time of rising demand and falling income for bureaux.

- We took a leading role in the campaign to persuade the Scottish Parliament to create its own Welfare Reform Committee, and have consistently called for increased resources for bureaux in order to help them cope with the rise in demand which the welfare changes are already causing.

Apart from benefits and welfare issues, we also work on other priorities – including consumer issues:

- We worked with Citizens Advice colleagues across the UK to do some high-profile work on scams, with a highly successful Spot the Scam campaign
- Our survey on Rural Delivery Charges generated some 2,300 responses and considerable publicity
- We took part in the Big Energy Week, helping people save money on their fuel bills
- At the request of the UK government we worked on the Empowering Vulnerable Consumers project, which included hosting focus groups with key stakeholders and consumers.

Meanwhile, the Public Affairs team projects all of this information to politicians and the media. They do this not only at national level, but also by helping every single local CAB to network with politicians and media in their own communities. In 2011/12 this work included some 30 local press release templates, a comprehensive Parliamentarians' guide to the CAB service, and detailed constituency profiles, showing individual MPs and MSPs the work that is done by bureaux in their local areas.

This aim of helping bureaux to directly market the impact of their work locally was also formalised this year by the creation of a whole new CAS project – the Local Impact Project. A team of new regional support officers have been taken on to support every bureaux in the task of demonstrating their work to local stakeholders, co-ordinating this work closely with the social policy work done by CAS at national level.

## *Promoting the Service and Building Relationships*

CAS promotes the CAB service in regular meetings with a range of key stakeholders. In 2011 we held regular meetings with government ministers and civil servants, and with members of all political parties at all levels, to ensure that Scottish CAB evidence and priorities inform all major public policy decisions.

In addition, we work with a wide range of fellow charities and public and private sector organisations to advance the interests of the sector and of CAB clients. A selection of the organisations we met and worked with in this year for example include Oxfam Scotland, the Scottish Poverty Alliance, the Child Poverty Action Group, Save the Children, Quarriers, Shelter Scotland, the Scottish Parliament Information Centre (SPICe), the Scottish Federation of Housing Associations (SFHA), the Association of British Credit Unions (ABCUL), the Royal Bank of Scotland, E.ON, British Gas, Scottish and Southern Energy, Scottish Power, nPower, EDF Energy, the Fuel Poverty Forum, the Making Justice Work Programme, the Access to Legal Services Reference Group, the STUC, the Bank of England, the Financial Services Authority and Prudential.

## *Information – AdviserNet and Adviceguide*

The CAS Information team provides the central resource that is at the heart of all CAB advice. In 2011/12 our AdviserNet website, produced jointly with Citizens Advice (England and Wales), continued to provide comprehensive and easy to use information for CAB advisers across Scotland. During the year we worked closely with Citizens Advice (England and Wales) on a major overhaul of consumer advice on AdviserNet and also on Adviceguide, our website for the public. The appearance and navigation of AdviserNet and Adviceguide underwent an extensive overhaul during the year. CAS worked closely with Citizens Advice (England and Wales) on the overhaul and ensured that there was minimum interruption of service during a brief transition period to the new setup.

In 2011/12 CAS's Information team also contributed to a GB-wide project to improve coverage of discrimination and human rights on AdviserNet and responded to bureaux requests for new publicity materials for Adviceguide. We developed a new format for our popular 'Getting Divorced in Scotland' booklet – available free on demand to bureaux - which has allowed us to reduce costs while ensuring the booklet is up to date. The new format will also be applied to other booklets in the series, such as 'Neighbour problems'.

In this year CAS also re-focused its communications with bureaux, shifting away from a paper-based monthly bulletin, to CASnews – a web-based news feed linked with a weekly email digest. Bureau managers and all CAS staff receive the weekly bulletin as a matter of course, and all bureau service members are encouraged to opt in to the digest. Because busy advisers often tell CAS they have little or no time to catch up on news – because, rightly, the clients come first – CAS has actively encouraged those who wish to access CASnews out of the office to do so.

## *Quality Assurance and Training*

This year, the CAS Quality and Training teams merged to become the 'Training, Quality and Standards Section', carrying out the triennial membership scheme audits for 20 bureaux and supporting adviser training through provision of courses and constantly updated materials for in-bureau training.

The membership scheme involves the audit of bureaux against organisational standards including the quality of advice, and the merging of the teams has proved valuable in increasing understanding of front-line advice work, feeding into improvements to our training services. This year major changes to the benefits training units included the production of Benefits 4: Carrying out a Benefits check to replace the previous Calculating Benefits units. Four new ATP-related e-learning modules were produced along with 7 e-learning modules relating to specialist and on-going training. These included modules on the Armed Service Advice Project (ASAP), The Debt Arrangement Scheme and Debt Strategy Reducing Energy Costs, the Health Professions Council and Business Planning.

Training on the the new computerised case recording system CASTLE was completed for all participating bureaux and additionally 31 Training Programme courses were run for 387 attendees. Training on statistics was also provided for our Independent Advice and Support Service (IASS) caseworkers and an induction session for the new Citizens Advice Consumer service telephone helpline was provided.

The BIG Lottery funded Volunteer Support Team delivered 127 ATP-related courses to 1045 participants in bureaux and produced a CD to help with recruitment, far exceeding original targets. They have also developed an e-learning module on Communication Support. All feedback suggests this project is highly valued by bureaux.

## *Strengthening our Service to Consumers*

In October 2010 the UK Government announced its intention to simplify the 'landscape' of organisations that advise, educate, empower and protect consumers. The Government's plan is to position the Citizens Advice service (UK-wide) and Trading Standards at the heart of a simplified and streamlined consumer landscape, both nationally and locally. Bringing responsibility for consumer advice, advocacy and education into a single organisation will make these services more joined up and easier for consumers to access, and the evidence about consumers' experiences and views will be fed back quickly to agencies that can take action.

This is an exciting opportunity for CAS but a challenging one. It will undoubtedly strengthen our ability to serve the needs of our clients, but in order to do so we need to transform our internal structures and to make sure that Scottish bureaux were fully equipped and supported in taking on these additional pressures – in addition to the work they are already doing. For this we took on a number of new senior staff and advisers, and made sure that the government committed additional funding to make the transfer work smoothly.

The transfer of these functions will happen in stages between now and 2014, and the most immediate priority in 2011/12 was to prepare to take over responsibility for Consumer Direct - the helpline formerly run by the Office of Fair Trading – and to make sure that, from 2 April 2012, the helpline became the Citizens Advice consumer helpline, ready to hit the ground running from our new call centre. But we have also been preparing for longer-term changes, which will include the transfer of policy and advocacy work from Consumer Focus Scotland and the OFT's consumer education work to the Citizens Advice service from 2013. In addition, the Extra Help Unit which supports vulnerable energy and post consumers is set to transfer to the Citizens Advice service in 2014. Work began in 2011/12 on the transition of all of these functions.

## *CAS Governance Changes*

One of the main internal projects undertaken this year was the updating of the Board and Governance structure of CAS. This had not changed for some time, and, like any publicly funded body, we take very seriously the need to demonstrate transparent and up-to-date governance arrangements. After a vigorous and open consultation, in which every bureaux was given repeated opportunities to influence the process, members passed the new proposed structure at an EGM in March 2012 by an overwhelming majority of 96% to 4%.

The new arrangements include a reduction in Board members from 19 to 15, an increase in tenure from 1 to 3 years, the addition of 'external' members (i.e. people not directly connected to the CAB service but who have some expertise to offer) and the introduction of a number of standing committees and working groups to handle specific aspects of CAS policy and management. Election to the Board and standing committees remains by all members in a vote at the AGM.

These are significant changes, and the overwhelming endorsement they received shows that CAS is very excited to be moving forward, not just with a more modern and efficient structure, but in a way which is open and accountable to our members.

## *Financial Review*

Total income in the year was £6,689,967 (2010/2011: £5,610,620). This funding was provided primarily by the UK Government Department of Business, Innovation and Skills (BIS) Grant in Aid. However further income was also received from various sources with the larger funds received from the Department of Business, Innovation and Skills (BIS), the Scottish Government, The Lottery and The Money Advice Service.

In addition to the grants paid to bureaux from restricted funds, the Association also awarded grants of £254,876 from general funds. These grants are made principally to support the cost of new bureaux and to improve and maintain existing bureaux.

Total expenditure in the year was £6,295,012 (2010/2011: £5,715,273). The reduction in expenditure in the General Fund between 2010/11 and 2011/12 of £297,510 was mainly due to a reduction in Development Committee grants of £218,051 offset by the effect of costs increases year on year. During the year, there was expenditure of £55,485 (2010/2011: £58,057) under designated funds. The majority of this expenditure in the year was on asset depreciation.

Expenditure under restricted funds was £3,450,763 (2011/2012: £2,571,176). Restricted funds arise when money is granted to CAS for a particular purpose. Such reserves are kept separately and can only be used for the purpose specified by the donor.

A number of projects which support bureaux to provide tailored advice to specific groups such as kinship carers, veterans and fuel poor clients continued. Through funding from the Big Lottery training and learning opportunities have been made available in bureaux for volunteers and staff. We continued to work with the Money Advice Service project with a view to providing guidance to the public. Within these and other projects a significant proportion of restricted funds (£1,506,864) were distributed directly to bureaux (2010/2011: £1,332,847).

Restricted Funds were also received in 2011/12 from the Department of Business Innovation and Skills to finance transition costs related to the managed change programme known as Programme 2014. Programme 2014 is concerned with the changing consumer landscape.

A total of £982,000 was received to finance this change programme. This funding allowed preparatory work for the potential future transfer of functions and the upgrading of the organisation's infrastructure to cope with the impact of such changes. This funding also included funding linked to the transition to the new Consumer Direct contract based in Stornoway and operated for Citizens Advice Scotland by Citizens Advice Direct. This contract commenced successfully on 2 April 2012.

Towards the end of 2011/12 CAS successfully bid for additional grant funding of £730,000 for the Department of Business Innovation and Skills. This was spent primarily on the provision of almost 600 new PCs for bureaux throughout Scotland. Investment was also made in improving communications, meetings and training facilities.

## *Pension obligations*

The Association participates in two pension schemes. Staff members are given the choice of which scheme they wish contributions to be paid into.

The Association operates a defined benefit contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. During the accounting period the Association paid contributions at the rate of 15%.

The company Association also contributes to the Pensions Trust's Growth Plan (the Plan). During the accounting period the Association paid contributions at the rate of 15%.

The Scheme Actuary has completed the triennial valuation as at 30 September 2011 and this revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%. The Trustee has included in the proposed Recovery Plan proposals to eliminate this deficit over 10 years from 1 April 2013 by a combination of additional contributions from employers, like CAS, and from investment returns. The new Recovery Plan assumes that the investment return over the 10 year recovery period will be 5.4% and this compares with the average increase rate of 4.5% assumed on the liabilities.

## *SUMMARISED STATEMENT OF FINANCIAL ACTIVITIES*

	2012	2012
	£	£
Total Incoming Resources	6,689,967	5,610,620
Total Resources Expended	6,295,012	5,715,273
Net incoming resources/ (resources		
Expended) before transfers	394,955	(104,653)
Gross transfers between funds	0	0
Net incoming (outgoing) Resources		
After transfers for the year	394,955	(104,653)
Fund balances 31 March 2011	1,365,327	1,469,980
Fund balances 31 March 2012	1,760,282	1,365,327

# SUMMARISED BALANCE SHEET AS AT 31st MARCH 2012

	2012	2011
	£	£
<b>Fixed Assets</b>		
Tangible Assets	483,639	262,437
<b>Current Assets</b>	21,446	21,288
Stock	1,142,098	511,391
Debtors	1,142,098	511,391
Cash at bank and in hand	2,671,333	1,035,037
	3,834,877	1,567,716
<b>Creditors: Amounts falling due within 1 year</b>	(2,558,234)	(464,826)
<b>Net current assets</b>	1,276,643	1,102,890
<b>Net assets</b>	1,760,282	1,365,327
<b>Funds</b>		
<b>Unrestricted Funds</b>		
General funds	888,372	651,163
Designated funds	208,704	178,768
	1,097,076	829,931
<b>Restricted Funds</b>	663,206	535,396
	1,760,282	1,365,327





