

Citizens Advice Scotland  
Scottish Association of Citizens Advice Bureaux

# Snapshot

Advice trends in Scotland  
January – March 2011



# CAB and social policy

In 2009/10, citizens advice bureaux (CAB) in Scotland helped nearly 270,000 clients with over half a million new problems. That's nearly 1,500 new problems brought to CAB each day of the year. More than 2,200 trained volunteers and paid staff ensure that thousands of people in Scotland receive vital advice every day.

However, the Scottish CAB Service isn't just the country's leading independent advice service. It's also a leading advocate for social change.

We collect evidence from around the country and use it to demonstrate that change is required. We think this is so important that it's one of our twin aims – to exercise a responsible influence on the development of social policies and services, both locally and nationally. We work with the Scottish and UK Government, benefit delivery agencies, banks, private companies, and other third sector organisations, to ensure that the problems that are seen in the CAB are translated into better policies and practices in the future.

In this quarter, the Scottish CAB Service has been active in a number of social policy areas, including:

- Publishing the Being Young Being Heard research report on the impact of the recession on young people in Scotland
- Publishing a briefing sheet on poor practices by mobile phone and landline providers in the telecommunications industry
- Jointly organising a Scottish Parliament reception on financial inclusion with Grand Central Savings

For more detail, please visit <http://www.cas.org.uk/Publications>.

This is the first in a series of quarterly briefings that outline the social policy issues that have been reported by Scottish CAB in the previous three months. These briefings use very recent evidence and will be an excellent way of spotting trends in social policy and tracing the impact of recent policy changes. The briefings will be of use to politicians, government departments, the private sector, and third sector organisations.

Each briefing includes a section on the biggest social policy issue seen by CAB in the last three months, and shows the main problems brought up by clients on benefits, employment, debt, consumer issues, housing, and utilities. If you have any questions regarding the briefing, please contact the CAS Social Policy Team at [social.policy@cas.org.uk](mailto:social.policy@cas.org.uk).

## Issue of the quarter... JSA Sanctions

Jobcentres can impose sanctions on JSA claimants if they do not conform to the conditions of the benefit, including failing to apply for a job or not attending an appointment. DWP figures show that the level of sanctions has increased significantly in the last year. Evidence from bureaux shows that sanctions can be imposed on clients whose non-compliance may not have been their fault, and we are seeing many clients in significant hardship as a result:

A client's JSA claim has been suspended for two weeks because his job search was considered inadequate. At the start of his claim he handed in lots of information of actual applications and calls made but he was told that this was too much. He then just showed them his book which showed the places he had searched. He has done this since June with no comment being made. He was told two weeks ago it was inadequate and that he would be sanctioned. His mother has Alzheimer's and he is expected home, but has no money for travel.

A client who had his JSA sanctioned feels that he has been unfairly treated by Jobcentre Plus. The client was given four jobs to apply for and applied for all except one. He received a letter from JCP stating that, as he did not take up all the opportunities presented, his JSA would be stopped for two months. The client is left with no money and his housing benefit and council tax benefit could be stopped.

A client has been receiving JSA but has been told by JCP the information written down by him in his 'looking for work diary' was insufficient to merit the continuation of his benefit. He was therefore sanctioned and his benefit stopped. The client was not given much chance to speak in his defence and there were entries in his diary for the period in question but they were out of sequence and may have been missed by the official.

A client has been sanctioned until August because she failed to attend a course which is part of her JSA agreement. The client states that she is not able to get to the venue as it is six miles away and it is too far to walk. Jobcentre Plus say they will re-imburse her when she gets there and she should borrow the money for travel. The client has no-one to borrow money from and if she paid travel costs she wouldn't be able to heat her home or eat.

A client was sanctioned by her Jobcentre for one week for missing a JSA signing on date. This client had no notification of the benefit being stopped and has no other income to support herself. The client wishes to apply for a crisis loan. The client's main concern is that she had no money for food or heating for 3-4 days until her JSA was reinstated.

# Benefits

## Key issues in this period:

- The Work Capability Assessment for ESA continues to inappropriately assess clients as fit for work
- Clients are struggling to access the Social Fund, including experiencing difficulties getting through on the telephone
- Child Benefit claims are taking a significant time to process
- Changes in entitlement to maternity grants are beginning to affect clients.

## Employment and Support Allowance (ESA)

ESA continues to be a major source of worry for both clients and welfare advisers. Scottish CAB have advised many clients who have been found fit for work in their work capability assessment despite suffering from serious health conditions and face major barriers to work:

A client received a home visit from an adviser as he is unable to walk to the CAB office. Following the work capability assessment, the client was awarded 6 points for being apparently able to walk 200 metres. The client has had a pacemaker fitted, but continues to experience breathlessness and chest pains, and is still classed as having heart problems.

A client was found fit for work despite suffering from a number of problems following a recent stroke, including left-sided weakness, impaired ability to walk and cognitive difficulties.

Around 40% of claimants that appeal their fit for work assessment have the assessment overturned at tribunal. Bureaux have reported a worrying trend where clients who win their appeal are quickly given a new assessment and found fit for work again or are repeatedly re-assessed:

A client has been found fit for work in his work capability assessment in February despite being awarded 15 points in November at Tribunal. However, there has been no change in client's condition.

A client was found fit for work despite having terminal kidney disease. The client won his appeal but has been asked to attend an assessment every five months.

## **The Social Fund**

Clients are struggling to access the Social Fund, including difficulties getting through on the telephone:

A client has been trying to make an application for a Crisis Loan - he has continually called the claims line number without success. He left his job due to an argument with his manager and has signed on but has no money for food, electricity, coal etc. The client urgently requires assistance to claim a crisis loan or some other form of payment. The CAB attempted to call the crisis loan claims line without success, so the client was advised to go to the local Jobcentre Plus to make a paper application. The client returned saying that this was refused and he was told the claim could only be made on the telephone.

A client lives with her partner and four children. She has completed a tax credit form but until this is assessed, their only income is £92 per week plus Child Benefit. The client tried to apply for a crisis loan but was told by the DWP adviser that she could not as she was no longer on benefits. The client was advised by the CAB that she does not have to be on benefits to apply for a crisis loan. The CAB adviser phoned the crisis loan helpline and explained the client's situation to the adviser, detailing that she desperately needed a loan for electricity and food and as there were four children under the age of 8 this was quite urgent. The CAB adviser asked the DWP adviser to hold the line while they got the client but the adviser hung up. It took 25 minutes to get through initially and took another 30 to speak to an adviser the second time.

## **Child Benefit**

Clients report that they have waited months, and in some cases years, for their child benefit claim to be assessed and paid:

A client applied for Child Benefit in June (9 months ago) and has not yet had any payment. The client has contacted the Child Benefit Agency numerous times and would like to claim compensation for the period she has been waiting. The CAB contacted the Child Benefit Agency and was advised that the money will be in the client's bank account within the next 5 working days. This amounted to £833.

A client had her first child in June 2009. She applied for Child Benefit in August 2009. Without her knowledge, the first application was terminated which she discovered in January 2010. She was offered no explanation or instructions on how to proceed. She called again later in the year and was told to apply again which she did. The claim remains outstanding from September 2010.

A client has been waiting 19 months for a Child Benefit claim to be assessed – he is very frustrated. The CAB contacted the Child Benefit office who advised that the client had indicated on his application form that he resided in Poland and, as such, his claim would not be accepted. The CAB adviser stated that the client had been resident in the UK for almost five years; however the Child Benefit office advised that the client would have to re-apply as a new application.

## **Tax Credits**

Clients continue to report problems with the administration of tax credits, including confusing letters, long waiting times, and difficulties paying back overpayments:

A client received a letter from HMRC dated 16th February 2011 regarding his Tax Credit claim stating 'thank you for your enquiry. Sorry for the delay...We are looking at the information you have provided...We will contact you as soon as possible'. The client also received a letter from HMRC dated 17th February 2011 stating that 'We are sorry that you do not qualify for tax credits.' The client is confused as he had been told in previous discussions with HMRC that he would be entitled to claim tax credits once the right information was submitted.

A client had made enquiries regarding Child Tax Credit entitlement and was told by HMRC that his issue would be addressed in 4 - 6 weeks. He has still not heard anything after 6 weeks. The CAB reports seeing many clients who are frustrated with the length of time it takes for their enquiries to be answered. One client asked for a review and after 8 weeks he has still not heard from HMRC.

A client has been paying back an overpayment since 2004 which was £792.50 in total. In 2005/06, he was advised that he owed £2,600, but at the end of 2009 they informed him he owed £320.55. The client is concerned as the figures do not appear to add up and he feels they are increasing his overpayments. He has contacted HMRC to clarify the situation but they keep sending him the same information they have already sent him.

A client has been overpaid £3498 in Working Tax Credit payments. HMRC have explained that as the client is not in receipt of Disability Living Allowance, he should not have qualified for disability element of WTC. When asked why HMRC assessed the client as eligible, the adviser responded 'we take clients at face value. If they state on the form that they have qualifying benefit, we have to believe them'.

### **Sure Start Maternity Grants**

A policy change from the 1st of April 2011 means that the Sure Start Maternity Grant is restricted to the first born child. This policy began to affect clients prior to April:

A client who is a lone parent with a 13 year old child is expecting a baby in May. She has been informed that she is not entitled to a Sure Start Maternity grant because of the new rules. The client has already paid the deposit for a pram and cot and is very concerned about this. The client was advised that the Sure Start Maternity Grant has been restricted to the first child only and that she will not be entitled to this as her baby will be born after 11th April 2011.

# Employment

## Key issues in this period:

- A number of clients have been asked to reduce their hours of work or face possible redundancy
- Clients who were told that their job was protected by Transfer of Undertakings regulations (TUPE) are finding themselves out of work
- Clients are continuing to be made redundant despite the end of the recession, with many not receiving their due wages or notice
- A number of clients have been unfairly dismissed possibly to avoid paying them redundancy pay
- Clients have been 'laid off' and are struggling without work.

## Changes in terms and conditions

As a result of the financial downturn, companies are trying to cut costs by reducing the pay and/or hours of work of their employees. This can place clients in a difficult position in which they need to choose between accepting poorer terms and conditions or trying to find another job in a difficult job market:

A client has had her hours of work reduced without her consent. The client is contracted to work 33 hours per week at a nursing home, but her last two shift rotas have had her working 29 hours. The client is nervous about complaining in case she is made redundant or dismissed.

A client who works as a carer for a local authority has been told that her terms of employment will change. The client's work locality will change, possibly by a considerable distance. The client may also be asked to take a pay cut, despite previously being told that her earnings would be protected.

A client has worked for his employer for nine months and has recently been told that there will be a change in his hours and pay. He does not want to accept this but his employer has indicated that if he does not accept the changes he will have to leave. His hours will be reduced from 45 to 30 and pay from £8/hour to £7/hour – a reduction in gross income of £600 each month.

A client has been told that if she does not accept changes to her terms and conditions, her employment with the company will be terminated. The client has been in employment for three years.



A client reports that her hours of work as a legal secretary have been reduced. All the secretaries in the office were asked to attend a meeting and were told collectively their hours would be reduced by one day. For the client, this means moving to a four day week, but for those working part-time the change in hours and pay is hugely significant. Unless they agree to this reduction, two of the secretaries will be made redundant.

A client thinks her employer is trying to get her to leave voluntarily by reducing her hours. The client has been employed on a full-time basis by a small business for nine years. She does not have a written contract, despite requesting one on several occasions. On return from maternity leave, the client was asked to temporarily reduce her work to three days per week. The employer now wants her to reduce her hours of work to 15 hours per week.

### **Transfer of Undertakings (Protection of Employment) Regulations (TUPE)**

When an organisation changes ownership, employees can be transferred in their current roles to the new owner. Bureaux have seen a number of cases in which employees are losing their jobs, often without due pay or redundancy pay, despite being protected by TUPE:

A client has lost her job in a pub despite being told that her role would be protected by TUPE. After the pub changed ownership, the client and other employees came to work to find that it was closed and that they were to be paid off without any notice. The employees were eventually interviewed for their old posts, but none of the previous staff were taken on.

A client working in a restaurant was told that the business was being sold and that the new owner would keep on all existing staff and would be responsible for any monies owed. However, the new owner did not keep on any of the staff, employing new people throughout, and did not pay any owed wages or notice pay to existing staff.

Conversely, clients may be transferred by TUPE to another company in a situation that they cannot manage, such as increased travel required. In these cases, voluntary redundancy may not be an option, meaning that the client is required to choose between resigning and a role they cannot manage:

A client has been left out of pocket after being transferred by TUPE to another employer. The client needs to travel an extra 150 miles a week and has no guaranteed overtime resulting in a cut in income. The client would like to take voluntary redundancy, but this has not been offered.

A client wants to take voluntary redundancy after being transferred to another company by TUPE, but has been told that the new company is not entertaining voluntary redundancy. There are about 70 people with only ten roles available. The client's previous role involved some travelling, but the new company expects the client to be prepared to travel worldwide. If the client does not agree to the transfer, he will not be paid redundancy.

## Redundancy

Despite the country coming out of the recession, a number of clients reported that they had been made redundant. In many of these cases, the employer failed to offer redundancy pay, notice and/or holiday pay to their employee:

A client has worked without a contract for 10 years in a restaurant. She has had numerous changes in terms and conditions imposed on her. The client was told that there was no work available for her upon her return from holiday and has not received any pay.

A client has been employed for six years without a contract of employment. The client has now been told that a contractor will be taking over her duties and that she would be made redundant. There was no notice given, redundancy package or holiday pay.

A Polish client and her husband have been 'paid off' from their employment in a restaurant. They did not get a payslip but were given an envelope with £150 cash in it. While they were employed they lived in a room above the restaurant. They lost the accommodation and are now staying with friends. They did not get holiday pay or overtime pay, and were told to 'go away' when they asked the employer for it.

A client and her friend have been made redundant from a jewellers firm without notice or redundancy pay. The owner informed the client that she would not need to pay them redundancy but she might consider it. The client and her friend have been employed there for 24 years between them.

A client phoned to say that he had been 'let go' by his employer at short notice and was told his pay would be 'seen to' in due course. He has now discovered that the company he had worked for had slightly changed its name and restarted business with slightly fewer employees doing the same work. When the client enquired about his wages he was told that he would need to contact the 'old' company liquidator to follow that up.

## Unfair dismissal

Despite the impact of the recession, Scottish CAB still deal with more dismissal issues than redundancy issues on behalf of clients. Clients often report being dismissed over personal issues or that they feel they were dismissed to avoid paying them redundancy pay:

A client wishes to claim unfair dismissal after losing his employment because of his alleged attitude. The client worked as a machine operator at a fish factory, during which he was offered a number of different posts for his good performance. After growing facial hair over the New Year holiday period, the client was informed that he had to wear a face mask while working. He complied with this, but pointed out that one of the managers had a moustache and didn't wear a face mask. The manager was then required to wear the mask and began to make life difficult for the client, culminating in the client's dismissal.

A client was dismissed for gross misconduct after being accused of stealing floor tiles that he had been asked to move from the site office by a tradesman. The client said that he was a labourer and his job was to do what the tradesmen asked him to do. There has been no investigation into the incident.

A client was sacked after seven years of employment for 'gross misconduct' for not following the proper absence procedure. The client feels that this was unfair as the reason he did not contact his employer was that he was with his wife in hospital. As a result of his dismissal, the client was sanctioned for six months when he applied for JSA and has no money coming in.

## Laid off

Clients who have been 'laid off' or put on zero hour contracts report being in limbo - still employed but without pay or work available for them. This is a stressful and uncertain situation for clients:

A client has been working for four years without a contract. All the workers in the company were issued with letters in December stating that, due to the weather, all workers were laid off. The client has only been called into work on four occasions in the last month, but says that the situation is intolerable as there is little money coming in and he is unsure whether he can claim benefit. His employer says that he may be eligible for JSA but that he must be available to be called into work.

A client employed as a bricklayer was laid off (temporarily) in November 2009 after 10 years of employment. The client was told to report back to the office after the Christmas break and did so every Friday until the end of April. Most of the time, the client was not given any information, just told that somebody would call him back. No one ever did. The client asked the company to pay him off as the situation was becoming intolerable. The client heard nothing more until asking again for redundancy in October and was told that they had assumed he had already left. The client did not at any time hand in his notice and neither did the company offer redundancy. The client was subsequently paid only his holiday pay – about four weeks wages. The client is taking the employer to tribunal.

A client under the age of 25 has been employed for some time on a zero hours contract. The client had a claim for JSA rejected as the Jobcentre considers the client to be employed despite not having any hours of work. He has had no work for three weeks and it has been forecast that he is unlikely to get any work for about 10 weeks to come.

### **Sickness and ill health at work**

The Government has placed an emphasis on re-assessing sickness benefit claimants' capability for work with the intention that many will move back into the workforce. To achieve this aim it is essential that employers provide appropriate support to those suffering from health problems. Poor practice from employers in this regard can make health problems worse and push people away from employment:

A 20 year old client diagnosed with Multiple Sclerosis (MS) has not received adequate support from her employer to continue working. The client reduced her hours of work to four each day after suffering from a relapse and arranged for an MS nurse to meet with her employer to discuss what support could be given at her place of work. However, her employer did not attend that meeting and sent her son instead. The changes suggested by the nurse were not followed up and the client feels that her employer has a negative attitude towards her, calling her "lazy" on one occasion. The client has now been unable to work for two months due to her health.

A 22 year old client is experiencing problems at work due to periods of sick leave. The client suffers from clinical depression and has had four periods of being signed off work in the last 18 months. He attempted suicide on one of these occasions. Every time the client goes back to work he is called into a disciplinary meeting at which he feels he's being harassed by managers because of his periods of illness/absence.

# Debt

## Key issues in this period:

- Clients are being asked to repay council tax arrears dating back more than a decade
- Overdraft charges are disproportionately affecting clients with a low income or who are in financial difficulty
- Clients have reported problems with debt collection companies, including misleading claims and a failure to pay fees to creditors.

## Council Tax debt

A client is repaying water and sewerage charges relating to arrears from 1988. The client had community charge arrears which he repaid, but was told in 2008 that we owed an additional £6,000. The client is struggling to repay £40 per week and has not been shown any proof of the debt.

A client has had her wages arrested for a year by sheriff officers for council tax arrears. The sheriff officers are now threatening bank arrestment if she does not pay £100/month on top of the wage arrestment. The client unsuccessfully tried to negotiate a lower figure. She has not received any information on time to pay or a debt information pack.

A client has received a letter stating that £3.40 will be deducted each week from her pension credit to go towards council tax arrears. The client is already repaying £14 a month as agreed with sheriff officers and had not broken the agreement or been asked to pay more. The repayments relate to council tax arrears from more than a decade ago.

## Overdraft charges

Cases show that clients in financial hardship are still being hit with disproportionate bank charges and interest, and despite trying to negotiate repayments with the bank, their debts keep rising:

A client exceeded his overdraft limit of £470. He realised he had done so and contacted the bank to discuss a repayment plan. He believed he had agreed to repay his debt at a rate of £50 per month and would not be charged interest. He is doing his best to meet his side of the agreement but is finding that his debt is increasing because he is still being charged interest.

A client exceeded his overdraft by £3.50 in 2008. To date he has paid back £754 and still owes £1200.

A client is separated from her husband, and since the separation about 5 years ago has been struggling to pay off a bank overdraft of around £1000 at £20 per month. She applied to close her bank account with RBS, but was advised not to do that but pay the overdraft off at £20 pm, the overdraft being £1100. Last month, she missed a payment of £20 and has incurred a service charge of £36 plus interest of £14.40.

A client's entire fortnightly Jobseekers Allowance (JSA) payment has been taken by his bank for overdraft charges – the client had no money to live on till the next payment. The client cannot afford to pay the charges which were incurred when he went into overdraft as a result of being sanctioned by the job centre and not receiving his allowance. The CAB adviser phoned the bank to request that the charges were waived due to financial hardship but they were not willing to do this and said that an arrangement must be made to pay off the arrears.

## **Debt Management**

Citizens advice bureaux see a number of clients who have experienced problems with debt management companies, including high management fees, misleading advertising, and a failure to pass payments to creditors.

A client entered into a debt management plan in 2007 for credit card debts of over £11,000. The client has been paying £276 a month to a debt management company in a plan that was due to end in February 2011. She has recently discovered that the closing balance is nearly £8,000 as interest and charges had not been suspended as she had been told. The client has already repaid over £10,000. The client was told in December that the current estimated debt was £911.

A client entered into a debt management plan after a cancer diagnosis left her unable to work. The client has been paying nearly £500 a month to the company but was recently shocked to discover that her debt has not been reduced at all.

A client was warned by two debt management companies that she would be charged £400 by the citizens advice bureau for advice.

A client signed up to a debt management company after mistaking the company's website for a citizens advice bureau website.

# Consumer

## Key issues in this period:

- The statutory consumer rights of clients are being ignored by some sellers.
- Evidence shows that irresponsible and illegal selling techniques continue to be used by telecommunications companies.

## Goods and services

Cases show that consumer's statutory consumer rights can be ignored by sellers:

A client paid a car dealer £100 to bring a car from another dealer to test drive. She was advised at the time that if she didn't like it, she was under no obligation to buy. This was a verbal agreement. While waiting on the car she was asked to sign some paperwork and she thought this was for the £100. She has now discovered that she has bought the car. When the car arrived it had scratches on the paintwork and the client was unhappy about this as she was paying £6,000 by her debit card. She no longer wants the car but has signed the contract.

A client ordered a mobility chair for her husband who had recently had a stroke. When the chair arrived it was not suitable as the arms were the wrong size and it was uncomfortable. The client contacted the shop to advise that it was unsuitable and was advised that they would be in touch – the client has not heard from the shop despite buying the chair 6 weeks ago.

A client bought a games console on credit through a catalogue. The console is not working properly and a ring has appeared on the screen. The client contacted the catalogue company to complain but was told it is not their responsibility as the console is still within the manufacturer's guarantee. The client phoned the manufacturer but they say she must have moved her console so will not take responsibility.

## Telecommunications

Evidence from clients show that irresponsible and illegal selling techniques continue to be used by telecommunications companies:

A client has been receiving phone bills from a supplier other than his own. He has phoned the supplier himself but the bills keep coming.

A client with Asperger's Syndrome was sold a broadband contract by a salesman who turned up at his door. The client is vulnerable, on benefits, and could not possibly afford this. He was billed £177.85 for 2 months of the contract and connection charge.

A client feels he was mis-sold a mobile phone contract. When the terms and condition were received, the length of the contract was not mentioned. The client assumed it was one year because he had to pay one year in advance. He was subsequently advised that it was a five year contract. The terms and conditions did not mention this and the only reference was found on the website after an extensive search.

A client bought a phone from a company who sold the phone to him via telephone. The arrangement was £79.26 per month plus VAT and the client would get a £50 discount voucher by cheque towards his monthly bill for the first year of his contract. The client received the discount voucher in June and July but the August payment was late. He did not get any more vouchers from September. The client stopped payments because of this. He has now received a letter from the supplier asking for £2,512.09 in phone costs.



# Housing

## Key issues in this period:

- Homeowners are being affected by the reduction in the support available for mortgage interest payments.
- Private rented tenants continue to report issues with repairs and tenancy deposits
- A number of clients are struggling to attain and maintain homeless accommodation.

## Homeowners

The main housing issue for homeowners in this period was the continuing impact of the reduction in mortgage interest payments paid by the DWP. From October 2010, payments reduced from 6.08% to around 4%. Those affected faced a reduction of up to 40% in mortgage interest payments with little notice:

A client received a letter from the Department of Work and Pensions (DWP) which informed her that the support she was receiving for mortgage interest had been reduced from £114 per week to £68. As a result, the amount of interest that she had to pay has increased from about £11 per month to about £200 per month. The client does not think she can afford this.

A 64 year old client has mortgage arrears after being unaware that her support for mortgage interest payments had been reduced from around £20 per week to £13 per week. The client now needs to pay £100 per month to meet the due payment which she feels she is unable to afford. The client's only income is from a state pension and pension credit.

## Private rented accommodation

CAB in Scotland help clients with more issues regarding private rented accommodation than for the other housing sectors. One of the most common areas of problems in the private rented sector is that of landlords failing to make essential repairs:

A client has been asked to leave a tenancy by her landlord as she complained about repairs to the letting agency. The client has been without running water for three weeks, and has blocked drains and no heating. Electricians were sent in, but have failed to rectify the problem.

A client with a disability and a two year old son has been harassed by her landlord after a dispute over repairs. The client withheld rent for the period in which she had to move out of the tenancy to allow repairs to be undertaken. After moving back in for a week, the client contacted the council and was moved into temporary accommodation due to being harassed by the landlord and his relatives, including threatening texts (35 in one day) and taking her keys from her. The landlord has now changed the locks on the tenancy with the client's possessions still inside.

The Government has proposed a number of changes to Local Housing Allowance (LHA) which will affect those who require support to live in private rented accommodation. Case evidence from bureaux shows that claiming benefits can have a significant impact on a tenancy. We will closely monitor the impact of the changes to LHA.

A client's landlord decided not to renew the client's tenancy after finding out that the client was in receipt of benefits. The client was employed until recently as a paramedic but is now claiming JSA. The client fears that now he has to look for alternative accommodation then other local landlords will also reject him for a tenancy. The client does not have a local connection aside from his former employment and doesn't think he would be offered homeless accommodation as a result.

A client is in rent arrears due to the timing of her benefits. As a result, the client's landlord is refusing to make any essential repairs to the tenancy, which includes a condemned boiler which is causing the client to live without heating.

### **Homelessness provision**

Bureaux helped clients with over 7,500 issues related to threatened or actual homelessness in 2009/10. Evidence from bureaux suggests that young people are particularly affected by homelessness issues:

A 20 year old client has been told that he cannot make a homeless application until he makes three months of regular payments towards rent arrears of over £1,600. The client has had a chaotic lifestyle through alcohol and drug abuse culminating in a five month prison sentence. The client is currently living with friends. He admits that he has had problems when staying in temporary accommodation in the past, but insists that for him to have stability in his life he requires housing.

A 16 year old client reports that he is homeless and is sleeping on the floor at a friend's house. The client is estranged from his mother and father, and his step-father is in prison. The client has no money and only one set of clothes. The client has been to the Jobcentre who have told him that he must go to the Careers Service to register before he can get money under the hardship rules. The client was also advised that it can take 10-15 days to process a claim.

Clients report that they can experience problems with the local authority when they apply for homeless accommodation:

A client was advised by the local authority to return to Yorkshire after trying to make a homeless application. The client had been living with a family friend but left due to a dispute. The client attends college in the area and is also waiting on a hospital appointment. The CAB managed to arrange bed and breakfast accommodation for the client and the local authority accepted his homeless application.

A lone parent has been living for over three years in two bedroom homeless accommodation with three sons aged 10, 15 and 17. The 17 year old is dyslexic and requires a room to himself so the client shares a bed with the 10 year old in the same room as the 15 year old. The client has a small business which is bringing her in a very small income. The client feels that she had been unfairly treated by the local authority. The local authority states that there is no better accommodation available at present for the client.

A client stated that the housing department did 'everything possible to put her off' making a homeless application. The client has recently separated from her partner and has moved into her mother's house with her young child. The client gets on well with her parents, but cannot stay there permanently.

# Utilities

## Key issues in this period:

- Mistakes by suppliers are leading to significant bills for customers
- Customers can be billed by two different suppliers at the same time
- Clients are reporting that their direct debits are being increased significantly
- Clients using domestic heating oil, particularly in rural areas, are struggling to afford heating.

## Mistakes by suppliers

Clients report that mistakes by their suppliers can mean that they are undercharged for a period of time. This often ends in significant bills for clients:

A client has received a gas bill from her supplier for around £1,500 after his meter was not read for nearly three years. The client queried the amount and was told that it was due to difficulty getting access to the meter. The client insists that the outside meter is easy to access.

A client has been paying a direct debit of £54/month since she moved house three years ago. She has now received a bill for over £6,300 for underpayment over the last two and half years.

A client received a bill of £770 after a mistake by her supplier led to her being underbilled. The supplier would like her to pay this back at £5 a week which the client cannot afford.

Clients have reported that two companies claim to be their supplier, leaving the client unsure of who to pay:

A client has been receiving letters from an energy supplier and a debt collection agency regarding a debt owed to the supplier. However, the client states that her supplier is another company. The CAB had helped the client deal with this issue for nearly two years and had been assured that the matter had been resolved. However, bills have continued to arrive and now the client has received a threatening letter from a debt collection agency with a warning of impending court action.

A client has been a customer with a supplier for some years but has now received an invoice for £1,800 plus £600 'non payment admin' charge for their previous address. It transpires that, due to a mix up with meter numbers, the client has been paying the wrong supplier. The client must now persuade one supplier to pay the money to the other.

### **Increasing direct debits**

Clients report receiving sudden increases in their direct debits for fuel which they struggle to afford. In some cases, the clients are in credit and cannot understand the reason for the increase:

A client has been advised by her supplier that her electricity direct debit will increase from £37/month to £62/month based on an estimated reading. She was unhappy about this figure and asked for somebody to read her meter which showed that she was over £220 in credit.

A client's electricity direct debit has risen from £39 per month to £75 per month in a three month period. The client's only income comes from a state pension and pension credit.

### **Heating oil**

Clients who require off-grid energy supply are struggling to afford to heat their home:

A client relies on domestic heating oil to heat her home and to provide hot water. She has an arrangement with one of the oil suppliers to pay £100/month. Because of the considerable increase in fuel costs this has been insufficient; so to clear any outstanding debt and to pay for future supplies they require a payment of £190/month, otherwise they will not provide further supplies. The client cannot afford this amount of money.

The clients live in a rural area and have oil central heating. They had noticed that within a short time of a delivery the supply had gone down considerably and it appears that fuel had been stolen from their tank. At a time when their income is very limited and there are no options to increase it, the theft of the fuel adds an additional burden to their already constrained circumstances.



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