

# Living at the Sharp End

citizens  
advice  
scotland

## CAB CLIENTS IN CRISIS

On-going analysis of CAB case evidence over the last four years has shown that more and more bureaux clients are experiencing periods of no income, and are unable to afford essentials including food, gas and electricity to heat their homes, as well as priority payments such as rent. More worryingly still are the number of clients who present at bureaux having not eaten in a number of days.

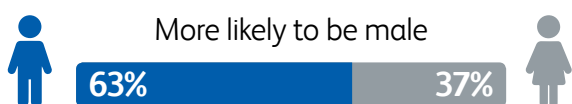
In the four years since CAS began capturing data on advice regarding food banks, CAS has seen a considerable increase in this area of work. During 2014/15, advice relating to food banks was provided on over 7,400 occasions by citizens advice bureaux in Scotland an increase of 47% on the previous year. During 2014/15, at least 1 in every 42 enquiries featured advice regarding food banks.

These trends prompted CAS to undertake research focussing on the following questions:

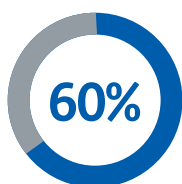
1. What are the causes of gaps in income for CAB clients, both short and long term?
2. What is the profile of CAB clients who experience a period without any income to buy essentials, and what impact does this have?
3. Are CAB clients aware of alternatives to food parcels such as crisis support provided by the Department for Work and Pensions and the Scottish Welfare Fund? What barriers do people face in accessing this support?

The research was carried out by Citizens Advice Scotland during 2015 and 2016. It includes analysis of existing qualitative and quantitative data held by the CAB service in Scotland and, in addition, data gathered via an adviser focus group, a week-long client survey, longitudinal case histories, and client interviews.

## PROFILE OF CAB CLIENTS NEEDING ADVICE ON FOODBANKS



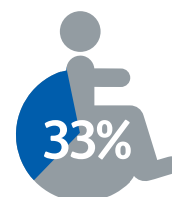
Average age **41 Years**  
Six years younger than average CAB client



Living alone



1 in 10 are homeless



Have a disability

# CAUSES

Recent changes to the benefits system, benefit rates not keeping pace with inflation, low pay, insecure work and rising costs of living all contribute to people's decreasing resilience to income shocks.

Government and local authority debt-collection practices, including third party deductions from benefit payments are contributing towards income deprivation and the need for crisis assistance.

There are five main causes of CAB clients experiencing a gap in benefit payments resulting in the need for crisis support:

Administrative errors

Transitions between benefits

Processing times and waiting days

No benefit during mandatory reconsideration

Benefit sanctions

"WHEN THE WINTER WAS BAD I FIND IT HARD NOT TO PUT ON THE GAS AND ELECTRICITY AND WITH MY ARTHRITIS THE COLD MAKES IT WORSE."



The client tried to commit suicide three days previously and spent the night in hospital. The client wanted the bureau to phone Jobcentre to establish if he would receive his JSA payment tomorrow because he had missed an appointment and was afraid he may have been sanctioned.



"ALTHOUGH FOOD IS THE FIRST THING THAT GETS CUT BACK ON WHEN MONEY IS TIGHT, I TAKE A LOT OF MEDICATIONS AND NEED TO HAVE FOOD WITH THESE."



# IMPACT OF GAPS IN INCOME



Say money worries impact on mental health



Say money worries impact on health



Cut down on food



Cut down on gas or electricity



Accumulate rent arrears

# CONCLUSIONS

Recent changes to the social security system, benefit rates not keeping pace with inflation, low pay, insecure work and rising costs of living have all contributed to people's decreasing resilience to income shocks.

Citizens advice bureaux in Scotland too often see clients who arrive hungry, having not eaten in a number of days, with no money for gas, electricity or other essentials. Bureaux are also increasingly seeing clients who have exhausted all forms of government-provided support and whose only option is to go to a food bank. This suggests that the root causes of the problem are not being addressed, either by the individual or by service providers.

The causes of gaps in income are complex and various, and can include sudden, unexpected changes in personal circumstances, employment-related issues, health-related issues and debt-related issues, but gaps in income for CAB clients are most often caused by the benefits system. Loss of mail within DWP systems, processing times, lack of eligibility for benefits during a reconsideration and benefit sanctions are all factors which can result in a client experiencing a gap in payments. Furthermore, CAS evidence has shown that there is a lack of awareness amongst benefit claimants of Short Term Benefit Advances and Hardship Payments, and DWP-provided crisis support is not always quick and responsive enough to address people's immediate need. The UK Government and DWP should introduce policies to prevent these problems occurring, and to provide adequate support to individuals who do experience problems with their claims.



"I WORKED FULL TIME SINCE I LEFT SCHOOL AND PAID MY TAXES. WHEN I NEEDED HELP IT TOOK A LONG TIME TO GET IT."

"IT AFFECTED MY YOUNG DAUGHTER. I WOULD PICK HER UP FROM SCHOOL AND SHE WOULD WALK PAST THE CHARITY SHOP. SHE WOULD SEE THINGS SHE LIKED AND I WOULD HAVE TO SAY THAT I COULDN'T AFFORD IT. I THEN HAD TO BUDGET EVERY WEEK SO THAT SHE COULD GET SOMETHING."



Spending any amount of time without income can have serious consequences for an individual's relationships, stability, mental and physical health. It can also lead to the accumulation of arrears which are often recovered through direct deductions from benefits payments. CAS evidence has shown that young people, those unable to work due to ill health and those with a disability are disproportionately affected by acute deprivation of income. It is some of the most vulnerable people in society who endure this kind of financial hardship and destitution; the Scottish and UK Governments should introduce policies that better protect those with ill health, disabilities and those at the outset of their adult lives.

No-one should be left for any period without enough money to pay for essentials. There needs to be a fair and responsive social security safety net to ensure that people do not suffer when crises and emergencies happen. This safety net of government, local authority and charity support needs to work as a coherent, well-integrated system, and be quick and responsive to need. Statutory crisis assistance and emergency food aid provided by food banks works best for the client when it is joined-up with other services, and a holistic approach is taken to addressing the causes of the gap in income and preventing this from happening in future.

# RECOMMENDATIONS

## Increasing people's resilience to income shocks

- The freeze on working-age benefits should be lifted and benefits should increase in line with inflation and the Consumer Price Index.
- Working-age benefit rates for under 25 year-olds should be the same as the rates for those 25 or over.
- Debts recovered from benefit claimants via third party deductions should be at no more than 10% of the benefit award without the individual's consent.

## Preventing gaps in income

- The initial seven 'waiting days' at the start of a Universal Credit claim are abolished and a single, additional, non-refundable Assessment Payment is made to new Universal Credit claimants to avoid hardship being caused by having no income for six weeks.
- Benefit payments continue at the assessment rate during the reconsideration period.
- A statutory time limit is introduced within which a Mandatory Reconsideration decision must be returned to the claimant.

- A full scale independent review of the sanctions regime is undertaken. This review should consider the effectiveness of the sanctions regime in getting people back to work and the impact that it has on individuals, families and services. In particular, the impact of sanctions on ESA claimants and JSA claimants with disabilities and health conditions should be taken into account.

## Improving crisis assistance

- DWP Hardship Payments are available from day one of a sanction period in all cases, are paid automatically when a sanction begins and do not need to be repaid.
- Every benefit claimant is made aware of Short Term Benefit Advances (STBAs) at the point of claim and that the DWP is proactive in making it known to claimants who have experienced a delay in processing their benefit claim that they may be eligible for a STBA by including this in their telephone scripts.
- The Scottish Government, COSLA and Local Authorities continue to raise awareness of the Scottish Welfare Fund, particularly amongst hard to reach and vulnerable groups and establish links with other services to ensure people are able to access relevant support and address the causes of their income deprivation.

## For more information

The full report can be found on the publication hub of the CAS website:

[www.cas.org.uk/publications/living-sharp-end](http://www.cas.org.uk/publications/living-sharp-end)

**Rhiannon Sims** | Policy Officer – Citizens Advice Scotland

**Email:** [rhiannon.sims@cas.org.uk](mailto:rhiannon.sims@cas.org.uk) | **Phone:** 0131 550 1017 | **Twitter:** @CitAdviceScot

The Scottish Association of Citizens Advice Bureaux – Citizens Advice Scotland (Scottish charity number SC016637)