



Impact of COVID-19 on the advice sought from the Scottish Citizens Advice network – May 2020

22 June 2020

Introduction

This is the third monthly summary of data from the Scottish Citizens Advice network since the COVID-19 outbreak. It shows data from Citizens Advice bureaux around the country and our public advice site indicating notable shifts in the last month. For the first time, this month's edition contains detailed information on advice sought on energy and other retail-related issues. As in previous editions, it includes information on advice sought in relation to employment, social security and financial matters.

In terms of advice sought during May, overall employment advice declined slightly. However, smaller areas of advice such as legal, housing and relationship advice have seen a slight increase back towards the levels that we would have seen prior to COVID-19. While the number of people using our public advice site has been reducing, it remains higher than in the same period in 2019. Towards the end of May, the number of people using our public advice site was more in line with 2019 levels. In the period between April and May we can see various increases over a range of advice topics; including consumer, employment, financial and social security. The most significant increases are within advice sought in relation to package holidays, redundancy and bank/building society and Post Office accounts.

Key points

- > While we have seen a slight decrease in the use of our public advice site, the demand for our advice has continued between April and May. As the Citizens Advice network in Scotland continues to support people, calls to local Citizens Advice Bureau remain the most common method of advice provision. We have seen steady use of our National Helpline service which was launched in April, with a gradual increase continuing into May.
- > Use of our public advice site during the lockdown period has been above the levels that we have seen in the same period in 2019. The number of new users on the public advice site continues to be higher than the same period in 2019, which indicates that many people are seeking online advice from us for the first time during the COVID-19 pandemic.
- > The type of advice sought during this period is varied, with retail-related advice increasing to the levels that we would have seen prior to COVID-19 and employment related advice reducing for the first time since lockdown measures began. However, we are still observing increases in self-employment advice given by advisers which now makes up 15% of all employment advice.
- > With regards to social security, the less common advice topics continued to rise as a proportion of all social security advice during this period. The proportion of advice on: Bereavement Support Payment, Funeral Support Payment, Carers Allowance Supplement and Child Benefit/Guardians Benefit continued to increase in this period, as with the last edition of this report.
- > Though this type of advice is normally sought online, we have seen a steady increase in retail-related advice being sought from Citizens Advice bureaux throughout the lockdown period. The most significant increases in retail advice need relate to holidays, where clients are dealing with problems around cancellations and refunds. Other areas of increasing advice need included Internet sales and Digital goods and services. This is likely to be a result of the shift of retail and services towards online channels during COVID-19.
- > Advice provision for gas and electricity-related issues saw significant changes in response to the impact of COVID-19, with a reduction in advice relating to retail energy market engagement during March and April but numbers starting to recover in May. Advice on accessing financial assistance rose sharply as a proportion of regulated energy advice during March and April, yet reduced significantly in May. This was particularly common for consumers who pay in advance for their gas and electricity via prepayment meters.

May 2020 - impact of COVID-19

All **59**
Citizens Advice Bureaux now
delivering phone and web-based advice



68,279
pieces of advice issued by local bureaux



18,635 
views of pages in the
“consumer” category

3792 (20%) of which
related to energy supply.

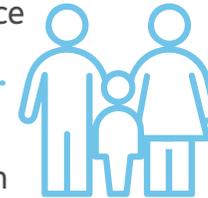
19,387 
pieces of consumer advice
delivered by local Citizens
Advice Bureaux

4583 (24%) of which
related to retail issues



3744
new clients looking for
consumer advice

33% of which
related to retail issues



354,583 
total visits to our online advice site
Advice for Scotland

24% increase on May 2019



Benefits became the most visited
page on our online advice site with

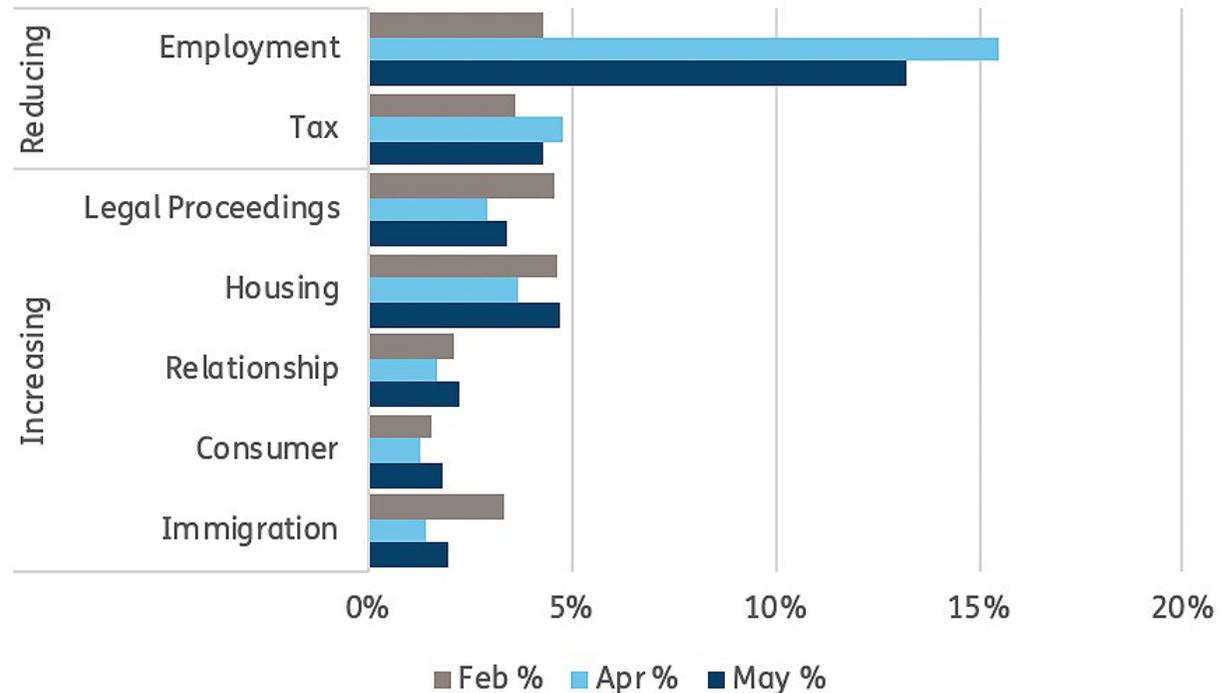
57,062 
unique page views



Notable changes in advice provision

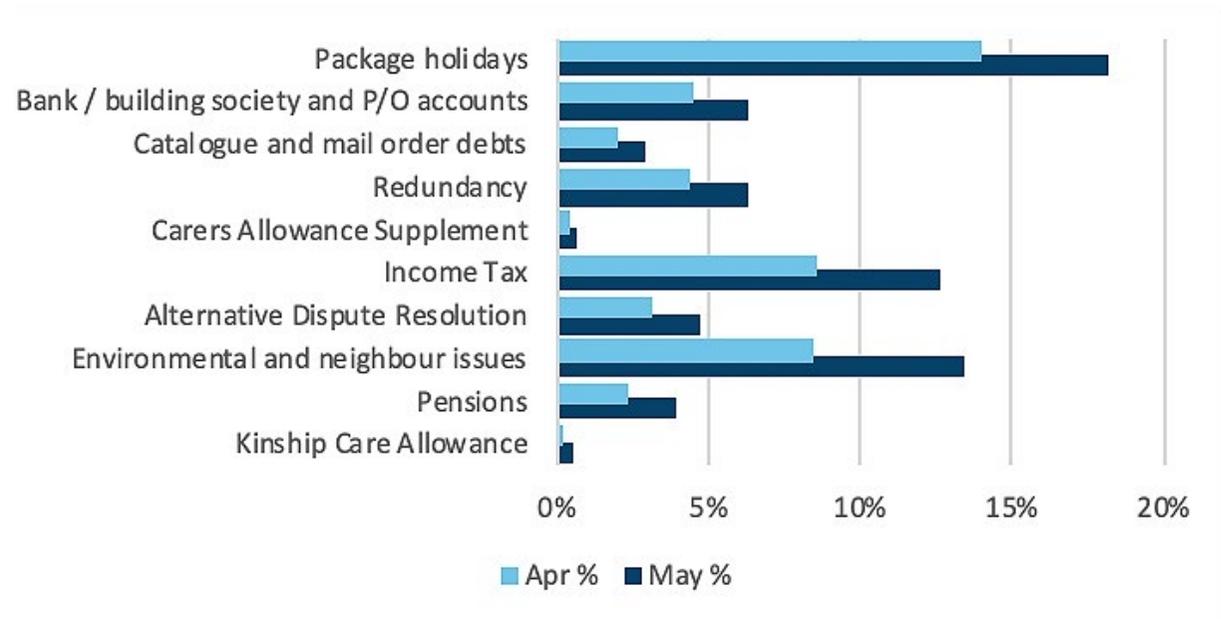
Chart 1 shows the advice areas that have increased or decreased substantially, as a percentage of all advice given by Citizens Advice bureaux in Scotland. Although still well above the percentage of advice it accounted for in February, employment advice has decreased slightly between April and May. Some other, smaller advice areas, such as legal, housing and relationships advice, have increased in May back towards the pre-COVID levels.

Chart 1: Notable changes in advice area as a proportion of all advice



The advice topics that have grown most as a proportion of the wider corresponding advice areas cover various issues, including consumer, financial, employment and social security. Some have a clear link to the COVID-19 restrictions. For instance, advice on redundancy has increased from just over 4% to just over 6% of employment advice, and the increase in advice related to package holidays is likely to have increased as a result of holiday cancellations.

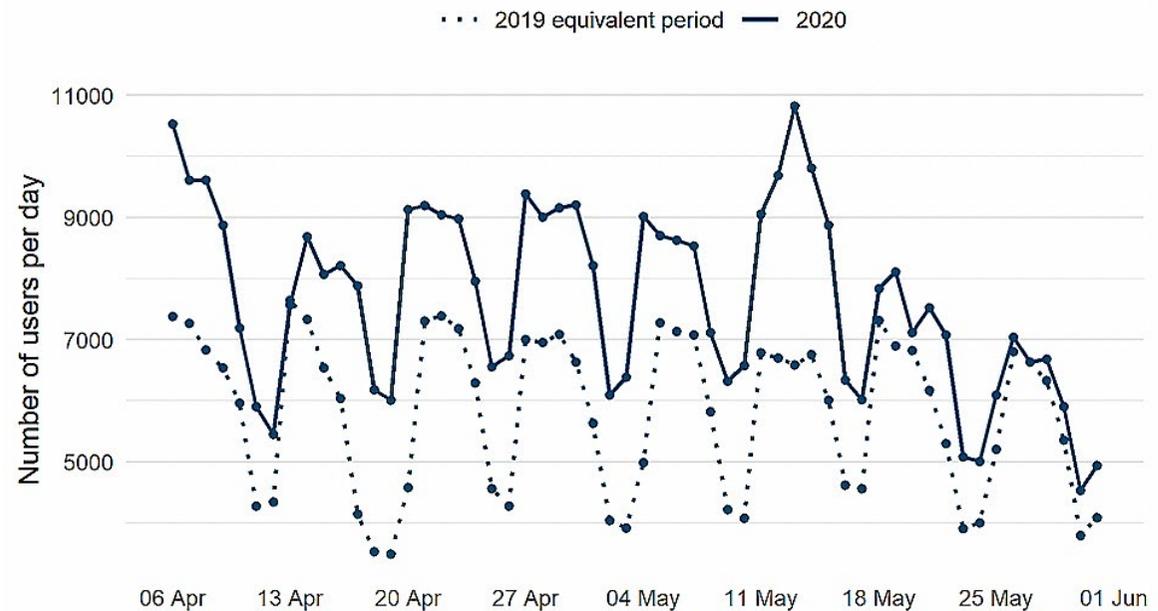
Chart 2: Top 10 shifts in proportion of advice provision (April to May 2020)



What advice people are searching for online

The number of people using the public advice website has been substantially above the level seen in 2019 during the lockdown period. However, towards the end of May the number of website users was more in line with the previous year's levels.

Chart 3: Visits to the public advice site (number of users per day)



The number of new website users is still more clearly above 2019 levels, suggesting that the current period is prompting people to engage with the Citizens Advice network for the first time.

Chart 4: New visitors to the public advice site

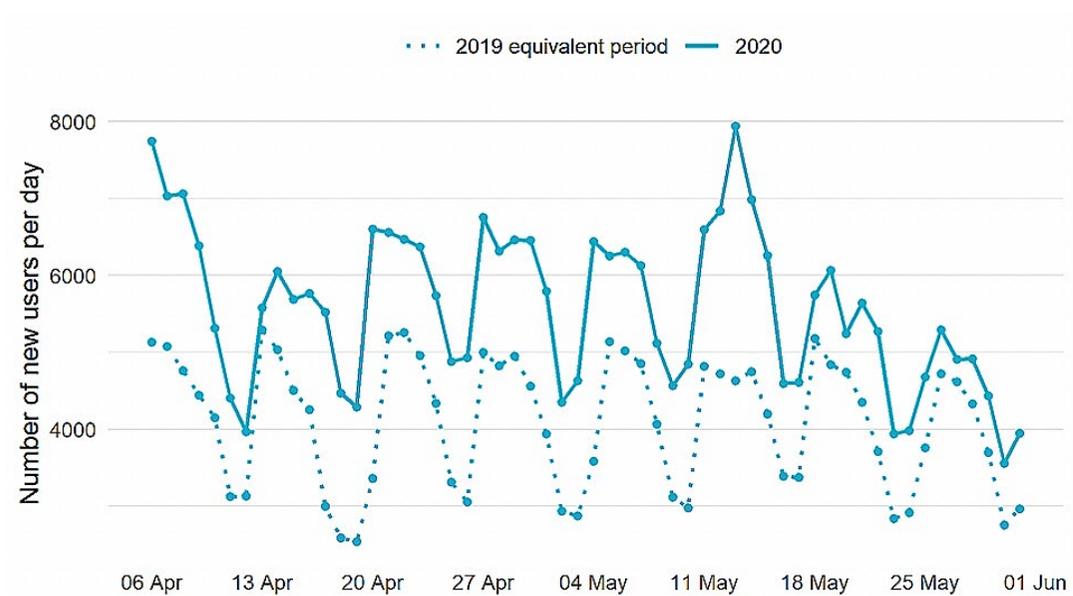
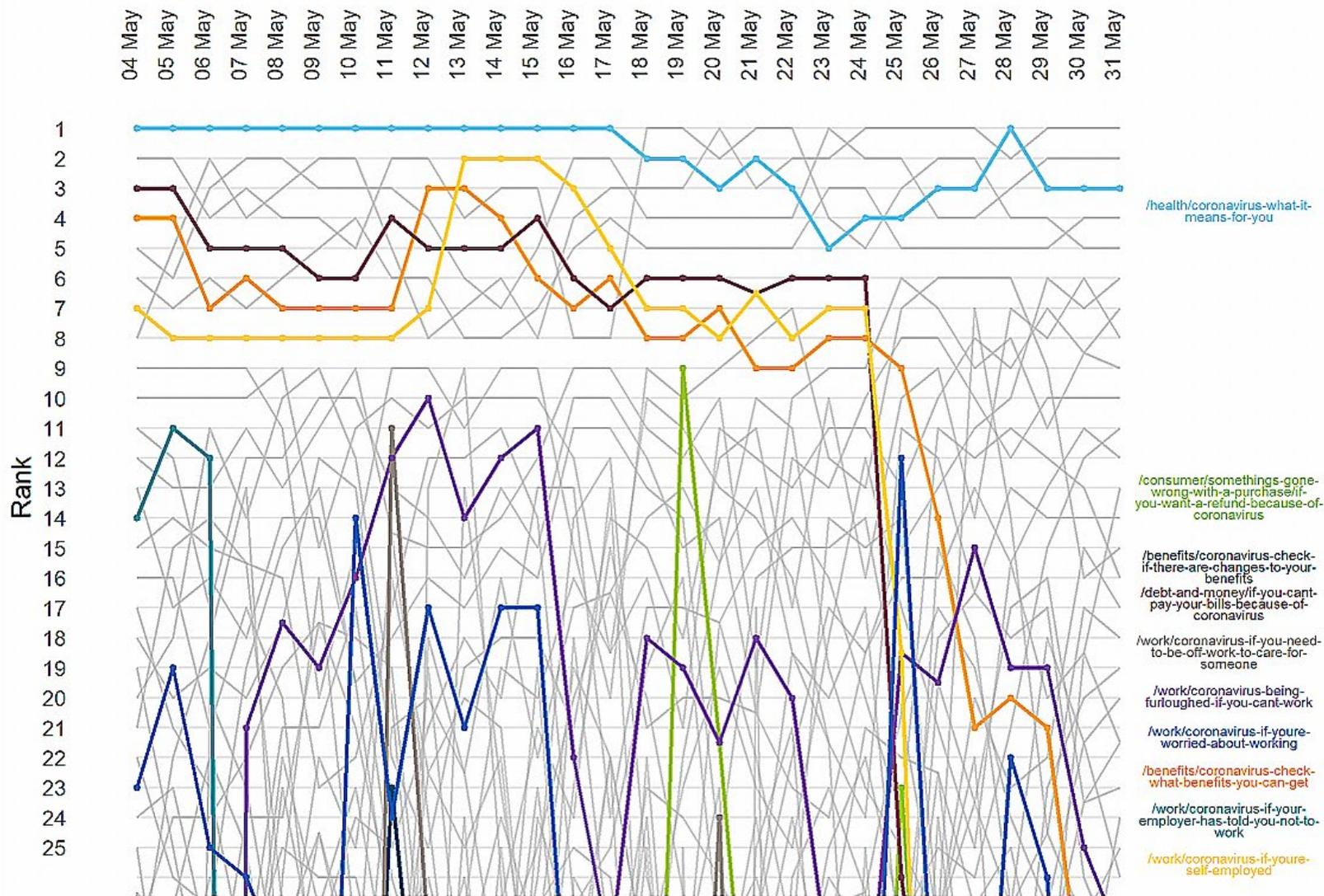


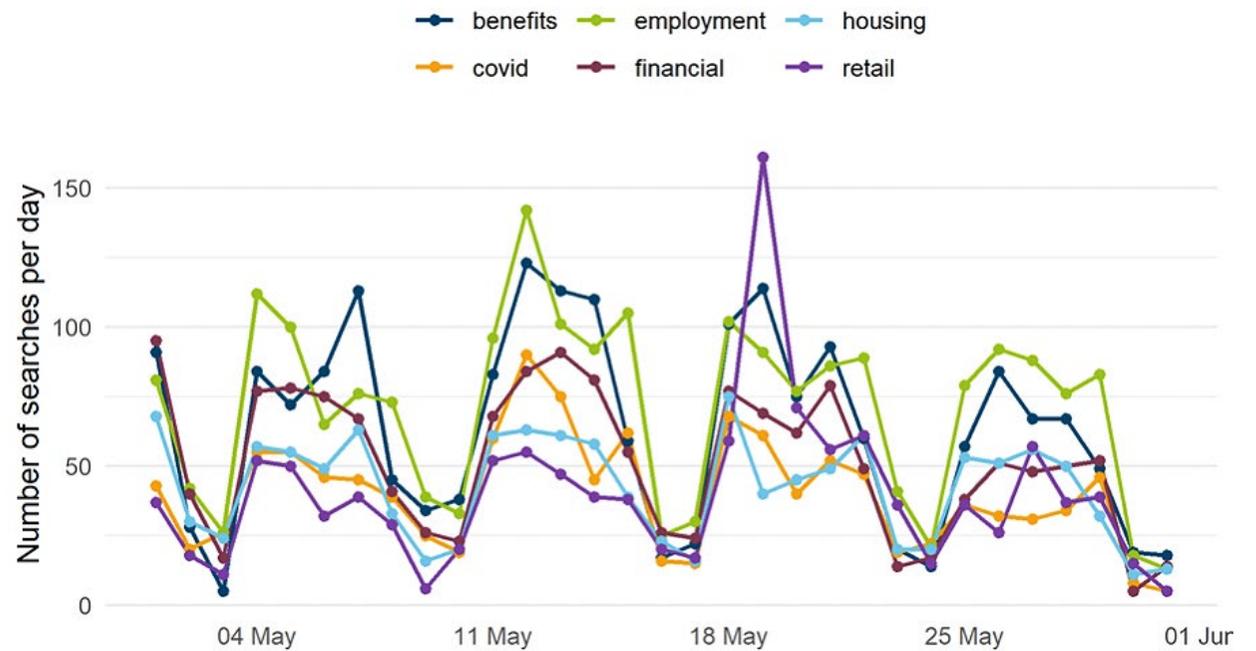
Chart 5: Coronavirus webpages during May 2020 (from top 25 ranked pages)



By the end of May, some of the coronavirus-specific webpages were no longer within the 25 most viewed pages on our public advice site. The main [coronavirus page](#) – still one of the top few most viewed pages – links to these other coronavirus pages so the ending of promotion of that page by the Scottish Government likely contributed to these drops.

In the last week of May employment-related search terms were the most common group, followed by social security search terms. Searches related to retail issues spiked in mid-May in response to media coverage of problems people have experienced receiving refunds for cancelled holidays and events.

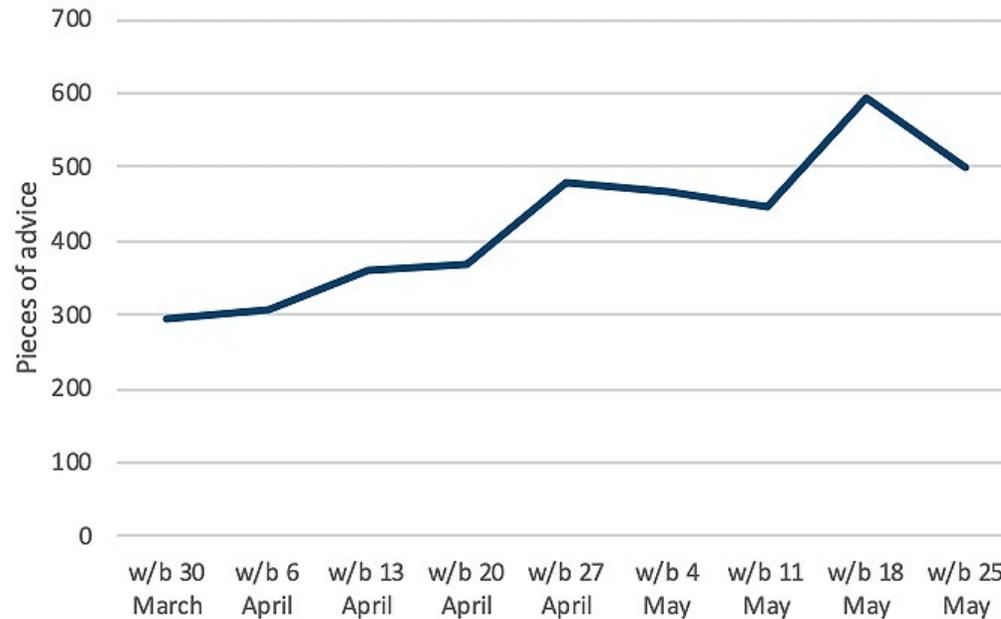
Chart 6: Search terms used on the public advice site



Data Evidence - retail issues

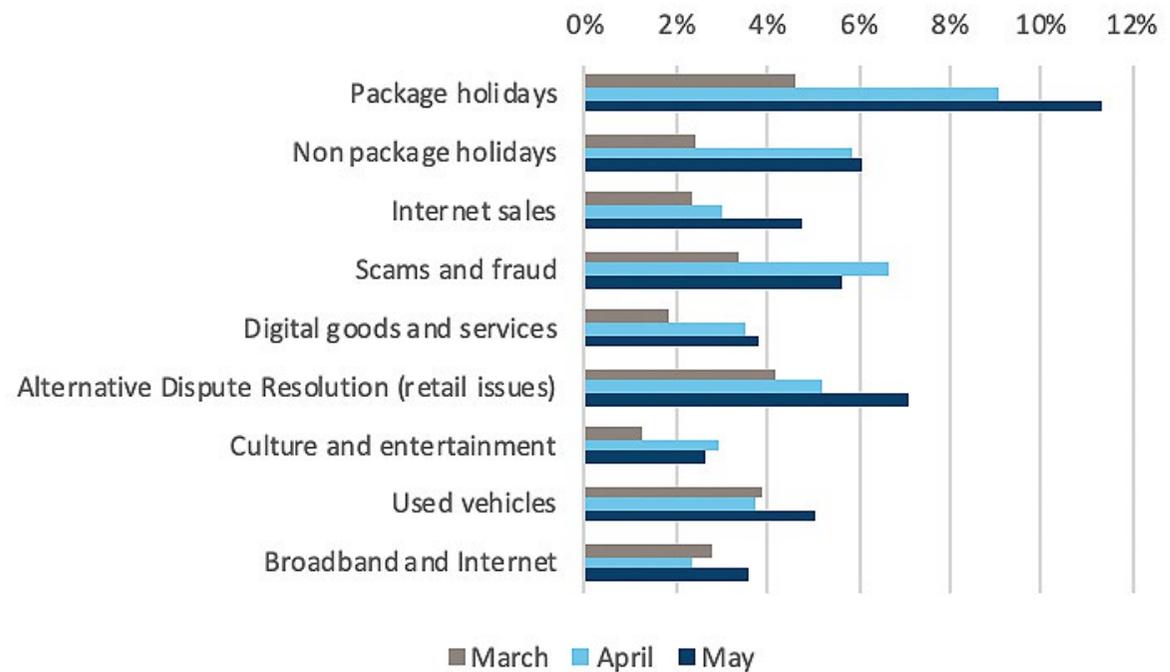
The number of pieces of advice given by Citizens Advice bureaux on retail issues has risen during the COVID-19 lockdown period, despite this type of advice usually being sought online. The total amount of retail-related advice increased both in terms of pieces of advice per week and as a total proportion of all advice given through Citizens Advice bureaux.

Chart 7: Retail issues – pieces of advice per week (exc. fuel supply)



Advice on holidays has increased substantially compared to the level seen in March. Other notable areas where advice need has increased are Scams and fraud, Internet sales and Digital goods and services. These latter two increases are likely due to the shift of retail and services online during the COVID-19 crisis.

Chart 8: Increasing retail issues (as a % of all retail issues excluding fuel supply)



On the public advice site, the most-viewed pages in the “consumer” category – which covers retail issues - relate to disputes with traders and refunds. The page [If you want a refund because of coronavirus](#) received a high volume of views in early April, with a second spike in mid-May after CAS drew attention to the issue in the media. Views for the page [Trader is not responding](#) have increased steadily through the lockdown period. An initial increase in traders being difficult to reach was expected as traders moved customer service provisions out of call centres and established working from home arrangements. However, it was expected that after an initial period of adjustment traders would be available to help consumers and customer service provisions would be running again.

Chart 9: Daily page views: [If you want a refund because of coronavirus](#)

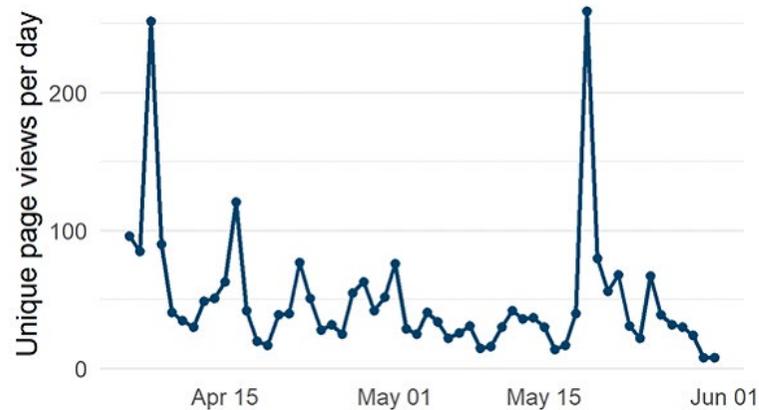
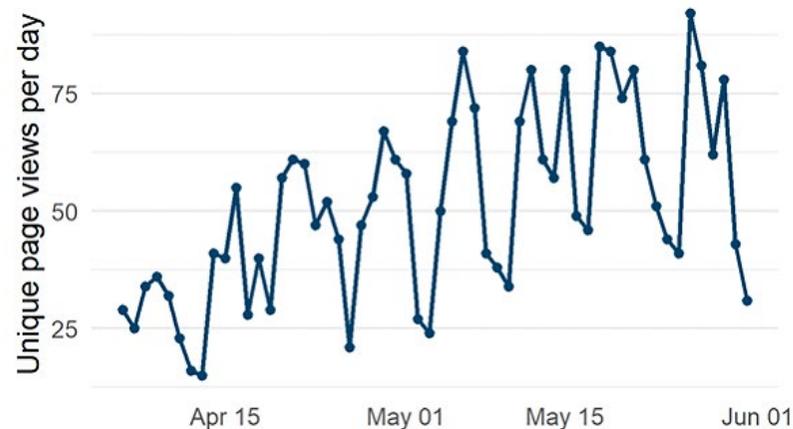


Chart 10: Daily page views: [Trader is not responding](#)



! Citizens ! ALERT

Aimi and Ali planned to get married this May, but instead have been left waiting for £15000 in refunds from their venue, suppliers, stag night, honeymoon, and flights.

Aimi is a solicitor with some consumer law experience, so she made sure to review the wedding venue contract carefully when booking. When COVID-19 restrictions were put in place, the wedding venue agreed to refund their deposit but said they couldn't do so until staff were back in the office.

Other suppliers have refused outright to issue refunds, despite Aimi and Ali being willing to wait until later in the year to receive them. The suppliers have stopped responding to Aimi's emails, and she is considering a small claim if they don't respond.

Ali booked a stag holiday through a booking agent, who has offered a credit note redeemable for cash in July 2020 instead of a refund. Originally, his booking agent would have only offered a credit note that would not be redeemable for cash and had to be used within a certain period. After pressuring them to do better, they offered a note redeemable in January 2021 and then July 2020.

Aimi and Ali had booked a safari holiday for their honeymoon, the final payment for which was due in April. The booking agent refunded the cost of the trip, but it took much longer than the two weeks prescribed by Package Holiday Regulations and Ali had to make the final payment before the refund was processed, as otherwise he would have been in breach of contract and not entitled to his deposit.

! Citizens ! ALERT

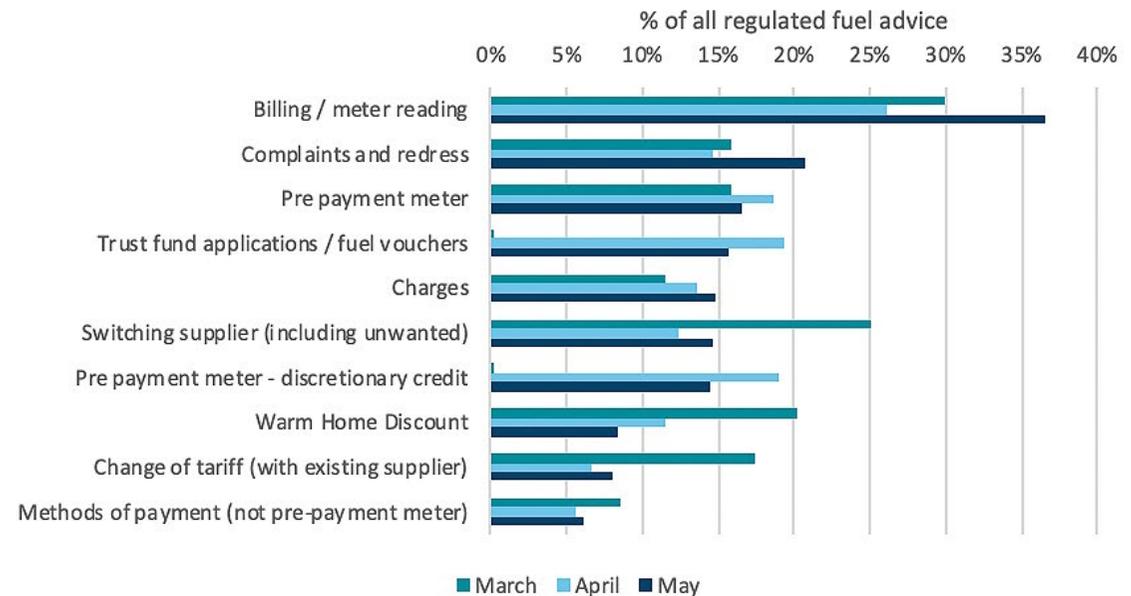
Emily and her partner booked their flights with a reputable airline in September 2019, however a week before they were due to leave the airline cancelled the flights without notifying her. Emily found out about the change because she was worried about COVID-19 and checked the flight status online.

Emily spent two days trying to contact the company and were put on hold for hours at a time. They were booked on a flight leaving the same day on a different airline and were reassured that the cost of the original flight would be refunded within seven days. When travel restrictions were imposed the next day, their new flight was cancelled too. Despite reassurances from their original airline, Emily wasn't refunded the cost of their first flight. The airline has offered flight vouchers instead. Emily has been left £2200 out of pocket while they wait for their money back.

Data Evidence - energy

The type of advice delivered by the Citizens Advice network in Scotland on gas and electricity-related issues has undergone substantial change in response to the impact of COVID-19, with advice relating to retail energy market engagement falling substantially during March and April but beginning to show signs of recovery during May. Conversely, advice on accessing financial assistance – particularly for consumers who pay in advance for their gas and electricity via prepayment meters – rose sharply as a proportion of regulated energy advice during March and April but reduced significantly in May. This dip is likely explained by a prolonged period of good weather, reducing the costs associated with space heating.

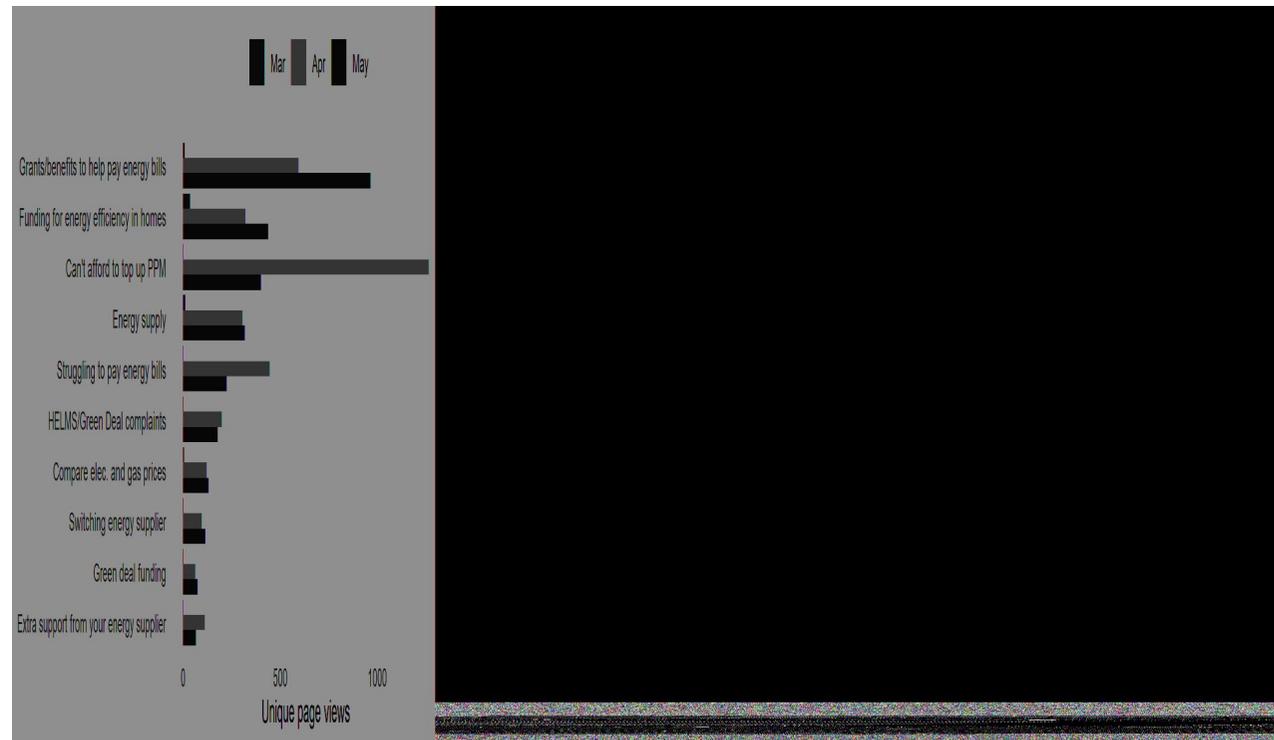
Chart 11: Top 10 regulated fuel advice areas



NB the Trust Fund applications / fuel vouchers advice code was only introduced in late March.

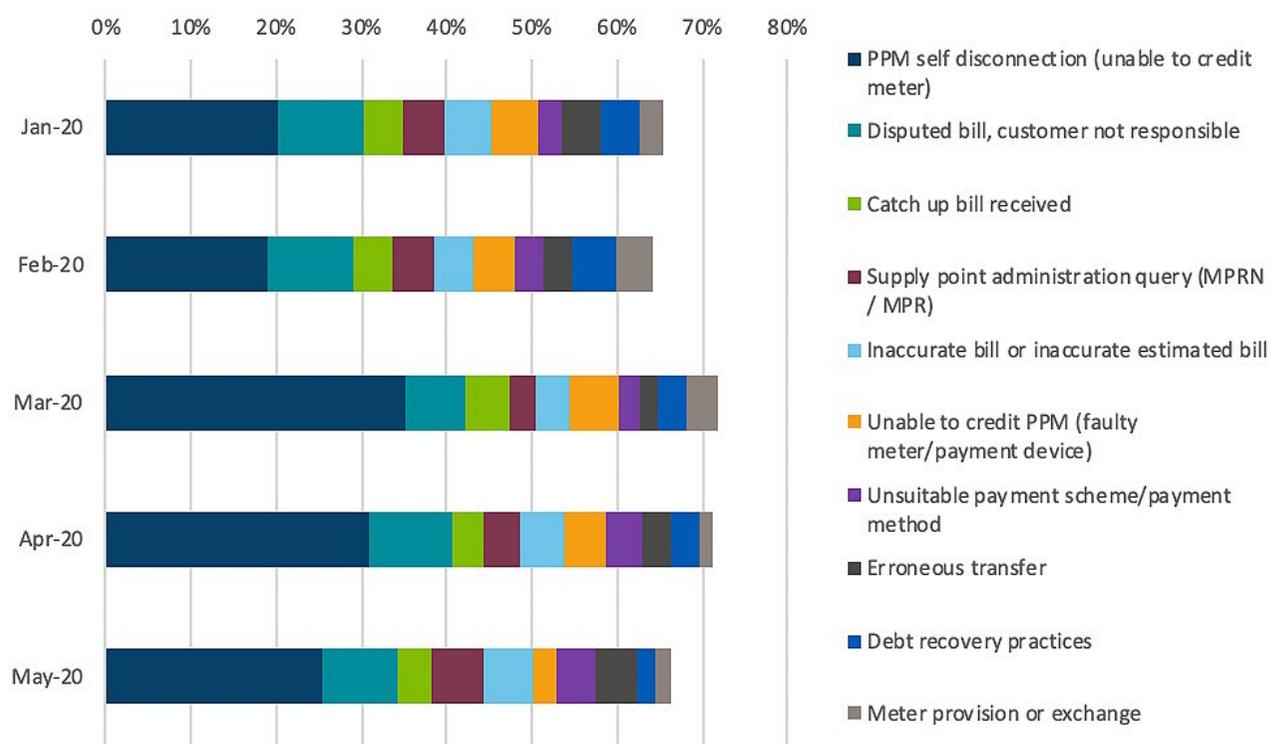
On the public advice site, the most viewed energy pages typically relate to consumers' concerns about gas and electricity affordability when faced with rising domestic energy consumption and / or reducing household incomes. Though unique page views show a slight increase in the number of consumers seeking advice on how to engage with the retail energy market in May, there was also a substantial increase in the number of visitors seeking advice on financial assistance to pay for energy as credit metered consumers begin to see the effects of COVID-19 reflected in their energy bills.

Chart 12: Top 10 energy pages for May



GB-level data from the Extra Help Unit (EHU) shows a surge in demand during March and April which was largely driven by priority referrals for consumers who had self-disconnected from their prepayment gas and / or electricity supplies, or were at risk of doing so. While the volume of such referrals reduced during May, the proportion of such enquiries as a total of overall EHU demand remained significantly higher than the February baseline. Concerns over debt recovery practices employed by gas and electricity suppliers reduced as a proportion of all EHU demand during May. However there has been an increase in the proportion of calls relating to the appropriateness of payment methods or plans in each of the last 2 months.

Chart 13: Top 10 domestic complaints received by EHU



Fuel debt

Advice provided by Citizens Advice bureaux on gas and electricity arrears decreased significantly from mid-March as some suppliers temporarily paused recovery action for pre-COVID debts. However, the number of regulated fuel debt enquiries began to increase again in late April, with numbers in May stabilising at around 50% of the levels seen during early March. We expect to see an increase in regulated fuel debt as the COVID-19 crisis progresses.

Comments

With so many households in Scotland under sudden financial stress, and with domestic energy use increasing as people spend more time at home, it should come as little surprise that many gas and electricity consumers have found it difficult to pay their bills or remain on supply, and that advice on financial assistance has been particularly sought-after. Every gas and electricity supplier in Great Britain has agreed to put in place a series of measures designed to ensure that consumers rendered vulnerable by the myriad effects of COVID-19 are provided with additional support. This could include the provision of discretionary credit or emergency fuel vouchers for prepayment customers, remote switching to credit mode for smart prepayment customers, and the rescheduling of regular monthly payments for those with credit meters. In general, gas and electricity suppliers appear to have responded well to this challenge, but both the Citizens Advice network in Scotland and the EHU still see too many examples of cases where supplies are falling short of the commitments they have made to consumers, as the examples on the next page show.

! Citizens ! ALERT

Louise is an unemployed single parent to a 20-month old child and is currently in receipt of Income Support, Child Benefit and Child Tax Credit. She pays in advance for her gas and electricity via prepayment meters and is supplied by different suppliers for each fuel. Both are prepayment specialists.

Louise had self-disconnected from her gas supply as she had insufficient funds to credit her meter. She was also in emergency credit for electricity, and therefore at imminent risk of self-disconnection. She had submitted an application to the Scottish Welfare Fund for a Crisis Grant but had not received a decision at the time of her contact with the Scotland's Citizens Advice Helpline. She had also been referred for a lone parent fuel grant but had been advised that there would be a 1-week wait for this to be processed. Louise had therefore contacted both of her suppliers seeking a short-term loan of discretionary credit, but despite her household's vulnerabilities her electricity supplier was not willing to help as she was already repaying a small debt via direct deductions from her meter (at an unaffordable rate of £9 per week). Meanwhile, her gas supplier informed her that they could not provide assistance as she does not have a smart meter.

! EHU

● Case Study

Angela has COPD, had recently suffered a lung infection and has also undergone hip replacement surgery. She receives ESA and PIP, and is currently shielding as her health conditions place her in the high risk category for COVID-19.

Angela was initially referred to the EHU in April as she only had £2.50 remaining on her electricity prepayment meter and was therefore at risk of self-disconnection. Her supplier offered discretionary credit for up to 12 weeks but agreed with Angela to provide credit for 3 weeks as an interim measure as she was hopeful that her son would be able to visit her soon – travel restrictions permitting. A new prepayment meter key preloaded with £40 of discretionary credit was therefore posted to Angela and her supplier offered to provide further credit in 3 weeks' time if required.

Angela contacted the EHU again in May as her son had been unable to visit. She only had £1.35 credit available on her prepayment meter. She had tried to contact her supplier again directly but had been unable to resolve the matter. After the EHU contacted them an engineer was arranged to add £10 credit onto the meter and a new PPM key issued with £25 preloaded credit. It was agreed the discretionary credits would be recovered at a minimum rate of £3.65 per week.

¹ All names are changed to preserve anonymity

Advice sought on Social security and employment

Social security

Some of the less common advice topics continue to rise as a proportion of all social security advice given given by Citizens Advice bureaux in Scotland. The proportion of advice on: Bereavement Support Payment, Funeral Support Payment, Carers Allowance Supplement and Child Benefit/Guardians Benefit has increased from March to April, and again from April to May.

Online, the [Coronavirus - benefits check](#) was viewed the most of all the social security pages in May. Views for this page spiked on the day the furlough scheme's extension was announced but did tail off towards the end of the month. Our [SWF crisis grants](#) page had the second highest number of views throughout May.

Views of our [Carers' Allowance Supplement](#) page grew steadily over May, in line with the growth noted above in advice given by advisers on this topic.

Employment

The proportion of employment advice given by advisers on self-employment has increased every month since February. By May, it made up 15% of employment advice, whereas in February, it made up less than 5%. Redundancy advice also increased as a proportion of all advice in May, compared to March and April.

Online, the web page giving [coronavirus-specific advice for the self-employed](#) has been the most highly viewed employment-related page during the lockdown period, but like other coronavirus specific pages, the number of views has decreased since mid-May. The spike in mid-May aligns with the announcement of the furlough scheme's extension, as with the [Coronavirus - benefits check](#). The other most popular employment-related pages were [Coronavirus – employer has told you not to work / Coronavirus – furloughed/can't work](#) (the name of this page was changed partway through May) and [Coronavirus - worried about working](#).

Advice sought on money & debt

Throughout May, there has been a marked decline in people seeking online advice for managing budgets, paying bills and meeting living costs compared to April. There was a notable spike in page visits in the middle of May which is likely linked to the discussions and decisions of the UK Government in extending the Coronavirus Job Retention Scheme (furlough). The month of May seems to reflect a calming of immediate financial concerns for many people - support measures to protect income and to delay payments are firmly in place and many people will have done most of their research on how to manage budgets in the period immediately after lockdown e.g. in March & April. But this is the calm before the storm. When these support measures are lifted and employers take hard decisions around redundancies or reduced hours, there will be significant numbers of people in financial turmoil. As such, we expect to see increase in visits to these pages plus pages which offer support on how to deal with debt.

We also expect our Citizens Advice bureaux network so see an upturn in cases where people are facing real financial difficulty and/or experiencing unmanageable debt. This may take a few months to emerge as there is a natural time lag between financial shocks happening, debt building up and people seeking help. Our data for May suggests that bureaux are starting to see signs of more money and debt issues coming through most notably on difficulties making payment for Council Tax arrears which has seen a consistent increase in advice given every month since February.

Who we are

Scotland's Citizens Advice network empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and independent advice. We use people's real-life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

The Citizens Advice Network in Scotland is continuing to provide free, confidential and independent advice across Scotland during the corona virus pandemic. Advice can be accessed through your local Citizens Advice Bureaux which you can find at www.CAS.org.uk/bureaux. People can also access advice online through our public advice site www.citizensadvice.org.uk/Scotland or through Scotland's Citizens Advice Helpline which is free to call on **0800 028 1456**.

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