



Snapshot

Advice trends in Scotland



Case evidence and statistics from the Scottish CAB Service

A SNAPSHOT OF SCOTLAND



Charity support
+71%



Payday loans
-50%



Pay & Entitlements
+20%



ESA
-11%

Oct-Dec 2014 compared to
same period in 2013

Credit card debts
-27%



PIP (Daily Living)
+60%



Employment Tribunals
-13%



Dispute resolution
+21%



133,321

Number of new
issues advised on in
Quarter 3

2,051

Number of new
issues advised on
per working day

+4%

Increase on new
issues compared to
same period in 2013

THE SCOTTISH CAB SERVICE

In 2013/14, citizens advice bureaux (CAB) in Scotland advised on over 550,000 new issues - that's over 1,500 new problems brought to CAB for each day of the year. More than 2,500 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 where 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 Governments, 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.

Snapshot uses bureau evidence to act as an early warning system of where policies and practices are failing or inefficient. These quarterly briefings use very recent evidence and are 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 – and anyone with an interest in the most important issues facing people in Scotland.

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ADVICE TRENDS

CAB in Scotland advised on 133,321 new issues in October - December 2014 – over 2,000 per week day. This was a 4% increase compared to the same period in the previous year. This briefing covers the advice provided by citizens advice bureaux in this period – the Service also provides advice through the consumer helpline and self-help advice through the *Adviceguide* website. Key advice trends from bureaux in this quarter include:

Consumer debt continues to fall in advice demand

The number of consumer debt issues that clients sought advice on decreased by 26% this quarter compared to the same period in the previous year, reflecting an 18 month trend in falling debt issues. This is likely to be related to a squeeze on income and the availability of credit, particularly concerning payday loan debts which are 50% below last year's levels.

Personal Independence Payment (PIP) issues are increasing

Issues related to the Personal Independence Payment (PIP), the new disability benefit, are increasing quickly at bureaux, with many clients experiencing significant delays in their assessments. It is likely that PIP will become the biggest area of advice need in bureaux during the roll out.

Food parcel issues are now in the top 10 advice areas

There were 1,881 new food parcel issues recorded in this quarter, the highest number yet recorded by bureaux in Scotland. This is more than double the number recorded in the same period in the previous year.

Employment continues to increase in advice demand

Employment issues increased by 10% in this period compared to the previous year with issues relating to pay & entitlements (+20%), terms & conditions (+20%) and dismissal (+11%) all showing increases in advice need.

Longer-term trends

All of the above trends represent both quarterly trends and longer-term trends (ie. over the last 18 months). This means that they are unlikely to be quickly resolved and are now seen as part of the established advice landscape. In the last 18 months, we have seen benefits taking up an increasing proportion of advice need, the problematic rise in PIP issues, the rapid increase in employment issues following the introduction of tribunal fees, and a range of issues contributing towards the increase in food parcel referrals. It appears that these issues are here to stay.

The following paragraphs and figures show in more detail the trends described above. For further information on any of these areas, please contact Keith Dryburgh, Policy Manager, at keith.dryburgh@cas.org.uk.

Top 10 most common issues in Quarter 3 (2014/15)

Advice area	Number of new issues	Year-on-year change
ESA	8,112	-6%
Housing Benefit	5,391	-2%
PIP (Daily Living)	3,764	+60%
JSA	3,725	-3%
Council Tax	3,430	+8%
Council Tax arrears	3,299	+3%
Pay and entitlements	3,110	+20%
PIP (Mobility)	3,070	+52%
Regulated fuel	3,033	+3%
Charities	2,748	+71%

Benefits remain the most common issues that clients seek advice on at bureaux, with almost 4 in every 10 issues advised on relating to benefits or tax credits. PIP continues to increase as an advice issue as the national roll out of the new benefit continues. Charities – mainly covering food parcel referrals – appear in the top 10 issues for the first time.

Issues **increasing** in number in Quarter 3 (2014/15)

Advice area	Additional issues	Year-on-year change
PIP (Daily Living)	+1,416	+60%
Charity support	+1,145	+71%
PIP (Mobility)	+1,055	+52%
Pay and entitlements	+509	+20%
Solicitors/advocates	+166	+20%
Housing Benefit overpayments	+161	+46%
Local authority rent arrears	+149	+18%
Public transport	+126	+70%
WTC/CTC overpayments	+115	+25%
Carers Allowance	+109	+9%

A wide range of issues are increasing as areas of advice need. PIP, charity support and employment pay/entitlements have all consistently increased during the last 18 months. This would be expected with PIP being rolled out (although the level of advice need is still concerning), but the rises in charity support and pay/entitlements is less expected and more concerning. They suggest a more sustained increase in problems at work and need for charity support.

The increase in charity support issues continues to be a real concern as it is mainly driven by the increase in food parcel issues. There were 1,881 new food parcel issues recorded in this quarter, the highest number yet recorded by bureaux in Scotland. This is more than double the number recorded in the same period in the previous year. Rather than being its own standalone issue, food parcel issues are often related to a range of other advice issues, including benefits administration/delays, benefit sanctions, debt and arrears, and employment problems.

Looking at issues that increased by proportion, rather than just by number, shows a number of other advice areas that are steadily rising. This includes a range of smaller advice areas that are increasing in demand, such as solicitors/advocates (+20%), public transport (+70%), and Housing Benefit overpayments (+46%).

While most areas of advice increased in demand in this period, some key areas saw a reduction, including a number of consumer debts, such as personal loan debts, credit card debts, overdrafts, payday loan debts and mortgage arrears. In total, consumer debt decreased by 26% in this quarter compared to the same period last year, while non-consumer debt, such as rent and council tax arrears, *increased* by 4%.

Issues **decreasing** in number in Quarter 3 (2014/15)

Advice area	Decrease in numbers of issues	Year-on-year change
Credit card debt	-927	-27%
Personal loan debts	-769	-30%
Payday loan debts	-600	-50%
Debt remedies	-591	-19%
DLA (Mobility)	-476	-27%
DLA (Care)	-474	-22%
ESA	-470	-6%
Overdraft debts	-342	-23%
Catalogue debts	-334	-28%
Owner occupier property	-230	-18%

There are a number of possible factors for the decrease in consumer debt issues, which appears to have been consistent over the last 18 months. Rather than being a positive indicator, it appears that stricter lending rules and falling incomes have meant that consumers have been unable to access credit. This may be a factor behind the rise in food parcel, Crisis Grant and priority debt issues.

KEY ISSUES THIS QUARTER

Personal Independence Payment (PIP)

PIP was included as a key issue in the previous quarter's edition of *Snapshot*, but is included again as a key issue for this quarter given its continued rise in numbers, impact on claimants, and the proposed devolution of the benefit to

Scotland. In this quarter, PIP continued to increase as an area of advice need, with the Daily Living component now the third most common advice area at bureaux.



3,764

**Number of new PIP
(Daily Living) issues
this quarter**

The DWP recognised that delays in assessments were causing significant detriment to claimants, so introduced a target in December 2014 of 16 weeks for the clearance of new PIP claimants. Data recently released by the DWP shows that the average clearance time peaked in June and July 2014 at 30 weeks. It reduced to 14 weeks for cases returned between 1 January and 25 January 2015. However, this represents the average clearance time, and bureaux continue to report older claims which remained outstanding.

- ▶ A South of Scotland CAB reports of a client who made a claim for PIP in May 2014 and had still not received an appointment for his assessment by December 2014. When the CAB called Atos, it was told that the client could expect a letter in January 2015 but could give no indication of when the assessment might take place.
- ▶ A West of Scotland CAB reports of a client who applied for PIP in May 2014 and had still not received an assessment by November 2014. The CAB called Atos and was told that no date was available at the assessment centre in Glasgow.
- ▶ An East of Scotland CAB reports of a client who submitted her PIP claim eight months previously. She had made two follow up calls to find out what is happening but had heard nothing. She now has to consider returning to work early despite having had two operations.
- ▶ An East of Scotland CAB reports of a client who had been waiting for over ten months for an assessment for PIP. Partly as a result, the client was in financial difficulty, with rent and Council Tax arrears of almost £2,600.

Digital exclusion

Partly as a result of the new Digital Jobcentres introduced by the DWP, CAS has received a number of cases from bureaux during the quarter which show clients experiencing difficulties when asked to use computers to make their

benefits claims. Whether this is because they do not have internet access, do not have the skills to use computers and the internet, or have accessibility issues such as a disability or limited literacy, many are referred to citizens advice bureaux or other services to help with their benefits claims.



% of benefit clients without access to the internet in CAB 2013 survey

- ▶ A West of Scotland CAB reports of a client who has an appointment with Jobcentre Plus today and is concerned because she has been unable to complete his Claimant Commitment. She does not have a computer and has no computer skills. The Jobcentre sent her to a Skills Development Centre to create an e-mail address and upload her job search online and create a CV. She was told at the Centre that they could not help her because of her literacy problems.
- ▶ An East of Scotland CAB reports of a client who tried to make his claim for JSA by telephone using the number that the bureau gave him. Although he said he did not have any access to the internet and was not able to use a computer, he was told that his claim had to be made online. After unsuccessfully trying to get an appointment with the Jobcentre for the client to have assistance in making the claim online, the CAB adviser spoke to someone in 'Access 2 Employment' (a Council service) who said that although she was not able to make the claim on the client's behalf, she was happy to sit with the client to guide him through his claim.
- ▶ An East of Scotland CAB reports of a client who cannot read or write. He went to the Jobcentre and was handed a bit of paper with a web address and told to apply online, even with his difficulties. He was also given a number to call and after holding for some time eventually gave up.

Private rented sector housing

Private rented housing accounted for over 25% of all housing issues reported by CAB in 2013/2014 and this number has continued to rise as more and more people are living in private rented accommodation. Following the new Housing Scotland Act passed by the Scottish Parliament earlier this year, the Scottish Government are

consulting on reforming the rules regarding private tenancies. Below are examples of the variety of issues that are raised by clients and in recent months we have received feedback on deposits, repairing standards, illegal evictions and problems with letting agents.



- ▶ A West of Scotland CAB reports of a client who is a private tenant in a short assured tenancy agreement. She had lived in the property since November 2013 but had recently become concerned about a number of issues. She is concerned about the constant change of letting agent, failure to pay her deposit into a scheme, failure to carry out repairs and absence of safety certificates. The adviser checked the property against the list of registered private landlords and discovered that the landlord was not registered. The adviser explained that it is illegal for a private landlord to operate without being registered and informed the client about the possibility of asking the Local Authority to issue a rent penalty order. The client was also provided with the contact details of the Private Rented Housing Panel.
- ▶ An East of Scotland CAB reports of a student who applied for campus accommodation but instead found accommodation in a household where the landlord and children live. She paid £400 deposit and £400 rent in advance for September. She asked the landlord for a lease but has not received one. She also asked to pay the rent into a bank account but the landlord insisted on cash. There are three tenants already and the landlord wants to bring another one in and has asked that the client share a room. The client advised that the landlord replies to all queries by saying “this is legal in this country”. She feels the landlord is bullying and she seems very vulnerable. She was in tears for most of the meeting. There is no lock on the door and the landlord walks into the room regularly. She wants to move out but has been told that she will lose her £400 deposit.
- ▶ A North of Scotland CAB reports of a client who came to the bureau to find out if he could terminate the lease of his private rented flat before the end. The main reason is because of the poor condition of the flat. The client said that when he spoke to the landlord he was told that if he wants to end the lease he would have to pay all the rent up until the end of the lease which would have been January 2015.

Tax credits

The number of Tax Credit and related overpayment issues that bureaux advise on has increased in each quarter in this financial year. In this quarter, issues relating to Working Tax Credit (+12%), Child Tax Credit (+12%) and tax credit overpayments (+25%) all increased compared to the same period in the previous year.



Number of tax credit issues this quarter

We have received a great deal of evidence over the last few months regarding the frustrating amount of time that advisers are spending on the phone to HMRC helplines, with examples of the call simply not being answered even when using the intermediary phone line. Many cases are reporting waiting time of over 25 minutes, with one CAB reporting waiting 45 minutes.

- ▶ A South of Scotland CAB reported waiting over 40 minutes to have the HMRC CAB only line answer when helping a client with a tax credit issue. The adviser points out this is wasting the advisers time that they can't then see other clients. Additionally the client has spent numerous hours now on hold to the HMRC public line which has resulted in a large phone bill.
- ▶ A West of Scotland CAB reported while helping a client with an issue of overpayments of tax credits waiting over 35 minutes on the intermediary line to get through to HMRC which was then subsequently cut off.
- ▶ A North of Scotland CAB reports an adviser waiting over 40 minutes for a call to be answered to the HMRC helpline when assisting a client with a child tax credits claim.
- ▶ An East of Scotland CAB reported that an adviser spent over 20 minutes waiting for the HMRC intermediary line to be answered when assisting with a client's underpaid tax bill and overpayment of working tax credits.
- ▶ A South of Scotland CAB reports that an adviser spent over 30 minutes waiting for the HMRC to answer after phoning the intermediary helpline to query a child tax credit and working tax credit claim for a client.

CAS SOCIAL POLICY WORK

Citizens Advice Scotland uses evidence from citizens advice bureaux to show where problems with policy and practice exist and to lobby for change. In this quarter, CAS published a number of briefings and reports (click on the title to be linked to each report):

It's Not Fine

Unfair Charges for Parking on Private Land: A Report by Citizens Advice Scotland



Citizens Advice Bureaux across Scotland have been inundated in the last year with complaints regarding over-zealous parking charges - they are not fines - being handed out by the private parking industry in Scotland.

This has resulted in demand at the Citizens Advice service in Scotland reaching an unprecedented level – a 50% increase in cases regarding parking this year compared to last. This is an issue that affects everyone, but we are especially worried by cases brought to us by vulnerable Scots including those who are disabled and elderly caught out by poor signage and unfair appeals processes.

This report details these concerns, alongside our evidence. It also makes clear calls on the private parking industry to clean up its practices, the Scottish Government to introduce regulation and retailers to take responsibility for the people who operate their car parks.

Voices from the Frontline: Personal Independence Payment (PIP)

Personal Independence Payment (PIP) is a crucial benefit for many sick and disabled people. It is designed to help with the extra costs of being sick or having a disability, such as additional heating, additional travel costs, special diets, or specialist equipment. Its predecessor, Disability Living Allowance (DLA), has often been a mainstay for some of the most vulnerable clients attending citizens advice bureaux (CAB), particularly when there have been administrative problems with income-replacement benefits.

Scottish bureaux have been supporting clients to claim PIP since the benefit was first introduced in Scotland in June 2013. Since January 2014, the process of PIP reassessment was rolled out to a large swathe of Scotland, amounting to around half of the DLA caseload in Scotland. CAS carried out a

survey of bureau advisers in August 2014 to find out the experiences of those making applications for Personal Independent Payment. This report looks at the feedback from bureaux, clients and advisers.

Working at the Edge: Childcare costs

Childcare in Scotland has moved up the political agenda in recent years with the Children and Young People (Scotland) Act 2014 extending the amount of free early education available for three and four year olds as well as looked-after two year olds, those in kinship care and those from workless households, from 475 to 600 hours per year.

Evidence from citizens advice bureau clients has however shown that for working parents the costs of childcare can be a route to in-work poverty. Despite the increase in the statutory guarantee of hours, a number of issues remain, which must be tackled to ensure that Scotland's children get the best start in life and their families can avoid poverty through work.

The continuing financial benefits of advice provision to the common good

A new report from the respected Fraser of Allander Institute highlights that Citizens Advice Bureaux across Scotland contributed a total benefit to the common good in Scotland of **£168.7 million** in the financial year 2013/14.



generations of good advice

By examining five advice areas - benefits, debt, employment, housing and relationships – which accounted for 79.6% of all new issues, the report concludes how CAB advice in 2013/14 benefits Scottish society as a whole.

By stopping adverse consequences (additional problems) occurring, the near £170 million in savings and contribution to society that the CAB network make are huge. The Scottish CAB service in 2013/14 had funding of £23.8 million.

Therefore the return on investment for every £1 spent on the CAB service is over £7 in benefit to Scotland.

Supporting the Scottish Armed Forces Community in 2014

The Armed Services Advice Project (ASAP) was established in 2010 to be a focal point for the Armed Forces Community (AFC) in Scotland for access to advice, information and support, while working closely with key partner organisations to ensure that clients receive the most appropriate support.



This report provides an update to the findings of the *Civvy Street: The New Frontline* report which was published in 2012. The report examined the advice needs of members of the Armed Forces Community, looking at whether and how they differed from those of the average citizens advice bureau client. The report found that while the advice needs of veterans did not differ considerably from those of the average client, it was the complexity and severity of these problems that marked them as different.

Two years on, this report examines whether the recent trends in advice need, such as payday loans and food parcels, have affected veterans and whether their support needs have changed.

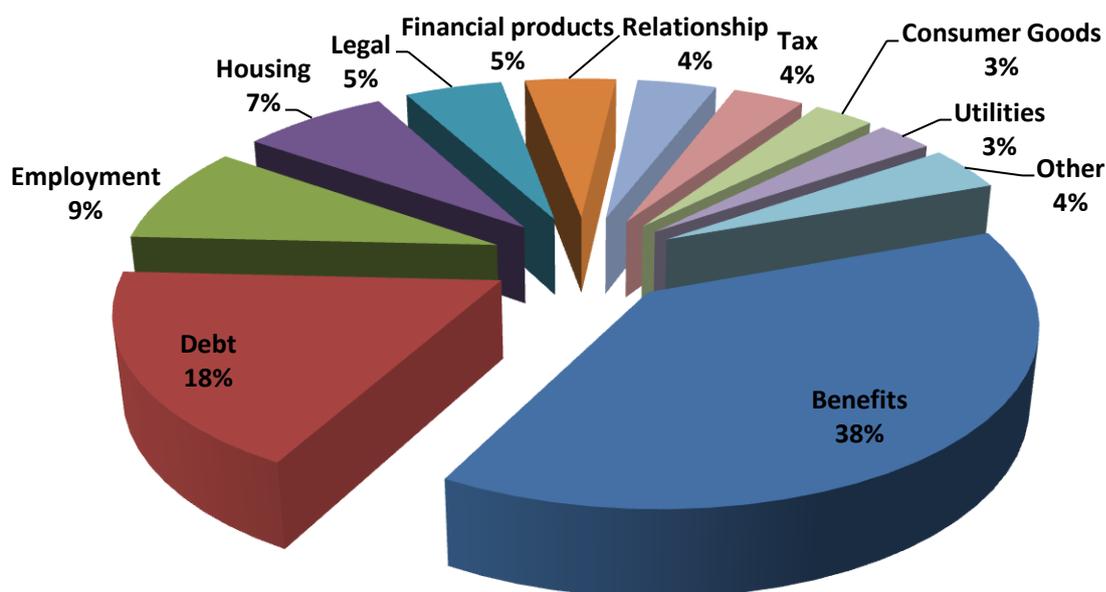
Fairness, equality, responsiveness: Citizens Advice Scotland submission to the Smith Commission

Using our evidence base of approximately 330,000 clients with over a million issues each year, we assessed what we believe are in the best interests of Scotland when it comes to devolving further powers to the Scottish Parliament in relation to the issues our service deals with.

CAS set three principles and applied them to each of the advice areas the clients of our service present with: **fairness, equality and responsiveness**. CAS believes if the principles are adhered to, and a conclusion is made that devolved powers would mean a fairer, equitable and responsive means of governing Scotland then all efforts should be made to devolve powers and provide a workable solution for Scotland and the rest of the UK.

APPENDIX: STATISTICAL SUMMARY

Breakdown of new issues at bureaux



Top 10 most common issues in Quarter 3 (2014/15)

Advice area	Number of new issues	Year-on-year change
ESA	8,112	-6%
Housing Benefit	5,391	-2%
PIP (Daily Living)	3,764	+60%
JSA	3,725	-3%
Council Tax	3,430	+8%
Council Tax arrears	3,299	+3%
Pay and entitlements	3,110	+20%
PIP (Mobility)	3,070	+52%
Regulated fuel	3,033	+3%
Charity support	2,748	+71%

Quarterly advice trends (number of new issues)

	Q1 2013/14	Q2 2013/14	Q3* 2013/14	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3* 2014/15	Change on previous year
Benefits	53,130	51,718	46,504	56,523	54,337	55,700	50,531	+9%
Debt	29,492	28,950	27,838	33,212	27,527	25,936	23,479	-16%
Employment	11,558	11,649	10,513	12,820	12,254	12,986	11,553	+10%
Housing	9,638	10,315	9,338	10,996	10,474	10,719	9,349	0%
Legal	6,062	6,301	5,629	6,966	7,048	7,181	6,115	+9%
Financial products	4,996	5,077	5,289	6,519	6,200	6,730	6,287	+20%
Relationship	4,911	5,099	4,662	5,461	5,531	5,852	4,765	+2%
Tax	4,493	4,694	4,271	5,532	5,308	5,285	4,772	+12%
Consumer goods	3,590	4,230	4,150	4,739	4,482	4,463	4,314	+4%
Utilities	2,879	3,147	4,350	4,332	3,805	4,182	4,619	+6%
Health	2,233	2,347	1,968	2,404	2,587	2,595	2,566	+30%
Travel/transport	1,718	2,075	1,675	2,117	2,246	2,482	2,257	+35%
NHS concern	1,154	1,101	999	1,186	1,334	1,136	1,068	+7%
Immigration	1,208	1,105	1,040	1,092	1,100	1,110	955	-8%
Education	726	909	585	639	769	1,061	691	+18%
TOTAL	137,788	138,717	128,811	154,538	145,002	147,384	133,321	+4%

* Quarter 3 figures lower than other quarters due to reduced opening hours during December

Top 40 new issues at bureaux in October-December 2014

New Advice Codes	Number of new issues
Employment and Support Allowance	8,112
Housing Benefit	5,391
PIP (Daily living)	3,764
Jobseekers Allowance	3,725
Council Tax	3,430
Arrears - council tax, community charge	3,299
Pay and entitlements	3,110
PIP (Mobility)	3,070
Fuel - regulated (gas, electricity)	3,033
Charities	2,748
Working Tax Credits	2,720
Private sector rented property	2,623
Credit, store and charge card debts	2,532
Child Tax Credits	2,519
Remedies	2,468
Unsecured personal loan debts (excluding payday loans)	1,843
Dismissal	1,825
Terms and conditions of employment	1,716
DLA - Care Component	1,655
Attendance Allowance	1,554
Divorce, separation, dissolution	1,532
Dispute resolution	1,524
Scottish Welfare Fund - Crisis Grant	1,478
Carers Allowance	1,347
DLA - Mobility Component	1,310
Court - Sheriff + High Court: small claims proceedings	928
Catalogue and mail order debts	845
Bank / building society and P/O accounts	816
Fuel debts	798
Homelessness - threatened	746
Access to and provision of accommodation	745
Telephone debts	730
Scottish Welfare Fund - Community Care Grant	715
Death and Bereavement	699
Environmental and neighbour issues	669
Building repairs and improvements	655
Death and Bereavement	699
Arrears - rent: registered social landlords	621
State Retirement Pension	617
Registered social landlord property	612

Citizens Advice Scotland and its member bureaux form Scotland's largest independent advice network. CAB advice services are delivered using service points throughout Scotland, from the islands to city centres.

The CAB Service aims:

to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively

and equally

to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The CAB Service is independent and provides free, confidential and impartial advice to everybody regardless of age, disability, gender, race, religion and belief and sexual orientation.

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