

This briefing highlights some of the social policy successes achieved by the CAB Service in Scotland from January to June 2008. Many thanks to all the bureaux that fed back social policy cases and statistics – none of this could happen without information on the experiences of CABx clients in Scotland.



Issue 11: January - June 2008

# Social Policy Successes

## Fuel Poverty

### Scottish Fuel Poverty Forum

In the summer of 2007, Citizens Advice Scotland (CAS) was one of thirteen leading Scottish organisations that sent a joint letter to the Scottish Parliament urging MSPs to hold an inquiry into fuel poverty as a priority for the new parliament. And in January 2008, our submission on fuel poverty called for the fuel poverty forum to be re-established with an independent chair. This call was heeded by the Scottish Government which announced in April 2008 that the Scottish Fuel Poverty Forum would be re-established, with the Rev Graham K Blount, parliamentary officer for Scottish Churches Parliamentary Office and also Chair of Citizens Advice Scotland, appointed as the independent chair of the forum. CAS is also represented at the Forum by David McNeish, Parliamentary and Policy Officer. The Forum will meet regularly and work to limited timescales to ensure that its conclusions can influence the future policy direction as soon as possible. It is anticipated that the Forum will report its findings in the autumn of 2008.

## Benefits

### Benefits backdating

Citizens Advice Scotland published a briefing on benefits backdating in March 2008. Towards the end of 2007, the UK Government announced that, from October 2008, the maximum period of backdating for pension credit, housing benefit and council tax benefit will be reduced from 12 to three months. CAS is very concerned about the potential effect that this will have on CAB clients. In particular, we are concerned about the change in relation to housing benefit, where a reduction in the backdating period could lead to an increase in evictions and homelessness. Katy Clark MP raised our point in the child poverty in Scotland debate: "I also ask the Minister to consider something that has been raised with me by Citizens Advice Scotland over the last couple of days. Regulations will be introduced in July to cut the backdating of benefit, particularly housing benefit, council tax benefit and pension credit. If there is any attempt to reduce the backdating of those benefits in October that could affect some of the poorest families with children who rely on them. I ask the Minister to reconsider."

## Case Evidence

**A North of Scotland CAB reports of an elderly client with chronic ill health who came to the bureau for debt advice. She had been awarded attendance allowance some months previously, but was extremely worried about her increasing debt problems. A referral was made to the CAB's welfare rights adviser for a full benefits check to maximise her income. This established that she was entitled to pension credit, housing benefit and council tax benefit. With help from the bureau, all three benefits were backdated for 12 months. This resulted in a payment of nearly £6,000, which the client used to resolve her debt problems. Under the new proposals, the client would have only received £1,500 for three months of benefits backdating.**

# Benefits continued ...

## HMRC mandate

The HMRC's revised mandate form will include an extension so that the 'valid for' box is changed from four to 12 months. CAS has argued in the past that the four months was simply too short for resolving queries as many tax credits cases are long and complex. We argued that future versions should say valid until resolution of the case, but the extension of the period in which a mandate is valid to 12 months will mean that one mandate will be sufficient for the majority of cases. The change should mean improved communications between CAB advisers and HMRC and a better service for CAB clients.

## JCP pilot to trail the use of warm phones for crisis loan applications

Following the concerns regarding the cost and difficulty for vulnerable clients to apply for crisis loans, Job Centre Plus has announced that it is trialling the use of allowing clients to use warm phones in its offices to make crisis loan applications. Previously, these clients had to either visit a CAB, use a public telephone or their own mobile phone. As it can take hours to get through by phone, and clients then incurred a lengthy process to make the application, those vulnerable groups using mobile phones would often incur huge costs. CAB advisers also would find the lengthy process onerous. This trial will make it easier for vulnerable clients to apply for crisis loans.

## Case Evidence

**A North of Scotland CAB reports of a male client in his thirties in receipt of disability living allowance. He had been trying unsuccessfully to get through to the Crisis Loan application line for five days. He had been borrowing money for food but had run out of options and was getting desperate. He came to the bureau to ask if he could use the phone to continue trying the application line - the bureau made a phone available but he was still unable to get through. Eventually a Crisis Loan was made for £18.45 and the paperwork was faxed to the bureau for the client to sign and send back.**

## JCP work on long processing times

In January this year, CAS representatives met with Neil Couling, JCP Director of Fraud and Benefits. CAS reported that the average clearance times reported by JCP often do not chime with the experiences of CAB clients. CAS and CPAG in Scotland have subsequently been invited to undertake a joint piece of work with JCP looking specifically at reducing the processing times of the claims with the longest durations.

# Health

## Help with NHS costs in Scotland

The Scottish Government has taken the first step towards abolishing NHS prescription charges. From April 2008, the prescription charge will be reduced from £6.85 to £5.00, with charges for other items from the NHS being reduced in cost. The Scottish Government intends to abolish prescription charges completely by April 2011. This is an issue on which CAS has campaigned for a number of years, providing a variety of written and oral evidence to the Scottish Parliament.



# Employment

## Rooting out the Rogues

CAS published a joint briefing written with Citizens Advice England and Wales, which argues the need to establish a 'fair employment commission' with the legal powers and resources both to secure individual vulnerable workers their rights, and to root out the rogue employers. The briefing has received positive comments and support from a wide range of organisations, including the Gangmasters Licensing Authority and Unite trade union.

## Employment briefings

The UK Government has set a target of increasing the employment rate from 75% to 80%. CAS has produced a series of employment briefings looking at the issues that will affect this government target. While supporting the focus on improving the employment chances for marginalized groups, the briefings highlight the barriers to getting into employment for vulnerable clients, the problems that they can face in relation to terms and conditions once employed, and problems faced by workers when leaving employment. The briefings support the need for a "fair employment commission" to be established.

## Case Evidence

**A West of Scotland CAB reports of a male client who has worked for the same employer for five years. He does not have a written contract despite having asked repeatedly. He has had periods of sickness and wanted to know his sick pay rights. Other employees were paid differently and he was told it is because they have a different contract.**



## Debt

### Case Evidence

An East of Scotland CAB reports of a 45-year-old client in full time employment who is unable to access DAS. Since her divorce she has struggled with bills, working overtime and double shifts, and even a consolidation loan which made matters worse. She has eight unsecured loans owing just under £22,000. She earns £1000 a month, but has a surplus of £140 to distribute to creditors. This is insufficient to access DAS under present guidelines.

### Restricted Access – Debt Arrangement Scheme report

In June 2007, changes were made to the debt arrangement scheme designed to increase access. In June 2008, CAS published the 'Restricted Access' report looking at the impact that these changes have had in relation to access to the scheme for CAB clients. The report found that CAB clients still struggle to qualify for the DAS scheme despite the reforms. Around a fifth of clients (19%) would qualify for DAS, and only 5% of all clients in debt would choose to access the scheme. The report called for the DAS scheme to include some form of debt relief (composition) as this would allow more clients to qualify for the scheme, as well as make it a more attractive method of debt repayment.

### More free cash machines in low-income areas

The UK Treasury has announced that 419 new non-charging cash machines have been installed in low-income areas throughout the UK in the last 18 months. These new cash machines will benefit more than a million people, with a further 143 locations identified for free access cash machines before the end of 2008. This initiative was implemented following the publication of the Out of Pocket report in 2006 by CAS and Citizens Advice England and Wales, which found that 40% of cash machines charged customers for withdrawing cash. Additionally it found that there were hotspots throughout the UK without free to use cash machines, such as areas of deprivation, hospitals, and universities. The UK Treasury will continue the initiative to ensure that all low income areas will have free access to cash.

## Contact

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

The Social Policy Team  
Citizens Advice Scotland  
Spectrum House  
2 Powderhall Road  
Edinburgh  
EH7 4GB

**Tel:**  
0131 550 1000

**Email:**  
socialpolicy@cas.org.uk