

Citizens Advice



Demonstrating the Impact of Carlisle & District Citizens Advice Service

DRAFT

To be approved by the Board of Trustees

Contents

1.0	Introduction to this Document.....	3
1.1	Purpose	3
2.0	The Citizens Advice Service.....	4
2.1	History of the Citizens Advice Service	4
2.2	The Modern Citizens Advice Service	4
2.3	Who seeks advice from bureaux?.....	5
3.0	An Overview of Carlisle and District Citizens Advice Bureau	6
3.1	Location and Resources	6
3.2	Helping our clients and serving the community.....	6
4.0	Volunteering and the Citizens Advice	7
4.1	Volunteering: What's in it for the volunteer?	7
4.2	Community benefits of volunteering.....	8
4.3	The contribution of volunteering to Government targets and social policy	8
4.4	Measuring the Value of Volunteering at Carlisle and District CAB.....	9
5.0	Debt Advice	10
5.1	An Overview of Problem Debt.....	10
5.2	How do individuals benefit from debt advice?	11
5.3	How do communities benefit from debt advice?	12
5.4	Contribution of debt advice to wider social policy and Central Government	12
5.5	What has Carlisle and District CAB delivered to its debt clients?	13
6.0	Welfare Benefits and Tax Credits Advice	14
6.1	An Overview of Welfare Benefits and Tax Credits Problems	14
6.2	How do individuals benefit from Welfare Benefits advice?.....	15
6.3	How do communities benefit from Welfare Benefits advice?	15
6.4	Contribution of Benefits advice to Government and social policy.....	16
6.5	What has Carlisle and District CAB delivered to its Welfare Benefits clients?	16
7.0	Advice on Housing Issues	17
7.1	An Overview of Housing Problems	17
7.2	Individual Benefits of Housing Advice	18
7.3	Community Benefits of Housing Advice	18
7.4	Benefits of Housing Advice to Wider Social Policy and Central Government	19
7.5	Measuring the Value of Carlisle and District CABs Housing Advice	19
8.0	Advice on Employment Issues	20
8.1	Overview of Employment Issues.....	20
8.2	Individual Benefits of Employment Advice	20
8.3	Community Benefits of Employment Advice	20
8.4	Contribution of Employment Advice to wider social policy and Central Government	21
8.5	Measuring the Value of Carlisle and District CABs Employment Advice.....	21
9.0	Case Studies.....	22
9.1	Macmillan Case Studies.....	22
10.0	References Summary.....	24

1.0 Introduction to this Document

1.1 Purpose

This is a document drawn up by Carlisle and District CAB based in Carlisle, Cumbria to demonstrate the outcomes of advice and how the bureau contributes to meeting local and national needs.

In an environment that is increasingly outcome focused, it is crucial that as a service we are able to coherently present relevant data to demonstrate our value to the individual, communities and wider society.

2.0 The Citizens Advice Service

2.1 History of the Citizens Advice Service

When the prospect of a world war loomed, the National Council of Social Services (the forerunner of today's National Council of Voluntary Organisations) established a group to look at how to meet the needs of the civilian population in war-time.

It was agreed that Citizens Advice Bureaux should be established throughout the country, particularly in the large cities and industrial areas where social disorganisation may be acute. On 4 September 1939, the day after the declaration of war, two hundred bureaux were opened.

From the start, volunteers, who worked from public buildings and private houses, ran the service. Advisers dealt with problems relating to the loss of ration books, homelessness and evacuation. They also helped locate missing relatives and prisoners of war. At its peak, there were more than a thousand bureaux, although this was almost halved when Ministry of Health funding was cut after the war. It wasn't until 1960 that Government restored funding to the national body.

2.2 The Modern Citizens Advice Service

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

The Twin Aims of the Citizens Advice Service are:

- To provide the advice people need for the problems they face
- To improve the policies and practices that affect people's lives.

The Citizens Advice service brand is among the strongest in the third sector; 95% of people have heard of Citizens Advice bureaux¹. In recent research into public perceptions of major charities, the Citizens Advice service was ranked first on seven ideal attributes. The service was regarded as being the most honest, helpful,

Key Facts: The Citizens Advice service

- ✓ 95% of people know the Citizens Advice Bureau brand
- ✓ In a survey of a number of major charities, Citizens Advice Bureaux ranked most honest, helpful, accountable, approachable, effective, informative and fair
- ✓ 430 member bureaux operate from more than 3,200 physical locations
- ✓ Total Bureaux funding exceeds £140m
- ✓ 27,000 people work for bureaux, of whom 21,000 are volunteers.
- ✓ 2m clients advised on 5.7m issues
- ✓ Most common issues are debt and benefits

¹ *Bureaux Outcomes*, MORI, 2007. Available at: http://www.cablink.org.uk/index/abouttheservice/publications/outcomes_research/highlights_mori_research_feb2005.htm (internal only)

accountable, approachable, effective, informative and fair.²

The Citizens Advice service comprises Citizens Advice (the membership organisation) and 430 members of the Citizens Advice bureaux network.³ Member bureaux are each individual legal entities and registered charities. The rights and responsibilities of Citizens Advice and the bureaux are set out in the Citizens Advice Compact.

Each member bureau delivers its services from one or more physical locations. In England and Wales, there are 670 main bureaux premises, 1,800 regular outreaches and 800 irregular outreaches: at total of about 3,200 locations.³

Total bureaux funding in 2006/07 exceeded £140m. About half of bureaux funding came from Local Government (£66.5m). The other significant funders of bureaux were the Legal Services Commission (£30m), the Department of Business and Regulatory Reform via the Financial Inclusion Fund (£8m) and the Big Lottery Fund (£7m).

Bureaux have a combined workforce of 27,000 people: 16,700 volunteers, 6,200 paid staff and 4,300 trustees. Advice is delivered by 15,000 advisers of which 12,500 are volunteers.³

2.3 Who seeks advice from bureaux?

In 2006/07, bureaux dealt with some 2m new clients, presenting more than 5.7m issues. Clients approach bureaux from all sections of the community. In 2006/07, 56% of clients were female, 13% were from BME groups and at least 17% were disabled.³

Benefits and debt problems are the main reasons people seek advice from a Citizens Advice Bureau, but hundreds of thousands of clients also present problems on a wide range of other issues including housing, employment, legal and discrimination. Bureaux provide a holistic service, so clients typically receive advice on more than one issue (averaging 2.7 issues per client) and this advice often spans more than one category, such as advice on debt, benefits and consumer rights.⁴

In addition to the services offered by bureaux, Citizens Advice delivers the award-winning Adviceguide website, which provides free round-the-clock access to information on their rights. In 2006/07 Adviceguide received more than 6.2m visits.

² *Brand Attributes Research*, NfPSynergy, 2007. Available at: http://www.cablink.org.uk/index/abouttheservice/publications/comms_nfp_synergy_april2007.htm (internal only)

³ *Bureau Characteristics Analysis 2006/07*, Citizens Advice, 2007. Available at: http://www.cablink.org.uk/bureau_characteristics_analysis_2006-11.pdf (internal only)

⁴ *Analysis of Advice Issues and Client Profile: England and Wales*, Citizens Advice, 2007. Available at: http://www.cablink.org.uk/analysis_of_advice_issues_2006-07.pdf (internal only)

3.0 An Overview of Carlisle and District Citizens Advice Bureau

3.1 Location and Resources

Carlisle and District CAB has been established since 1939 and according to the latest deprivation results held by the Audit Commission, Carlisle City is the 108th most deprived area out of 354 district, unitary and metropolitan areas in the UK.⁵ The bureau has one main site and three outreaches, which operate from the Botcherby Community Centre, the Probation Service and the Cumberland Infirmary (Macmillan Outreach).

Carlisle City Council and Cumbria County Council currently contribute approximately one third of the bureau's core costs. Project work is funded specifically, for example, the Botcherby Healthy Living Initiative funds our Botcherby Outreach. We currently run 4 projects and the funding period for all of them is limited.

27 volunteers and 15 paid staff deliver our service. We estimate the total economic value of the unpaid work of our volunteers to be approximately £130,760 per year.⁶

3.2 Helping our clients and serving the community

Carlisle and District CAB advised 1689 separate clients in 2007/08, of which 87% came from the wards of Carlisle.

Clients presented 4972 issues in 2007/08, of which 55% concerned debt and / or benefits. Total gains of more than a quarter of a million pounds were made (either in debt written off or benefits gained) in 2007/08. Many clients reported outcomes beyond the financial benefits including better health, less stress and even improvements in their relationships.

We carefully monitor our clients' satisfaction with our service; the feedback we receive is vital to our planning process. From our most recent survey conducted in August 2007, 94% of our Botcherby clients surveyed felt that the advice they received was very useful or fairly useful, 96% of our Main Bureau clients and 100% of our Macmillan clients said the same. 89% of our Botcherby clients surveyed said they would use us again if they needed further help, 95% of our Main Bureau clients and 88% of our Macmillan clients said the same.

Key Facts:

Carlisle and District Citizens Advice Bureau

- ✓ One main site and three outreaches based in Carlisle City
- ✓ Funded by Carlisle City Council, Cumbria County Council, the Financial Inclusion Fund, the Botcherby Healthy Living Initiative, Macmillan Cancer Support, the Royal British Legion and the Royal Air Force Benevolent Fund.
- ✓ Service delivered by 27 volunteers valued at over £130,000 per year, and 15 paid staff.
- ✓ 2267 clients advised in 2007/08
- ✓ Total gains of more than a quarter of a million pounds made in 2007/08
- ✓ 96% of Carlisle and District CAB clients are satisfied with the service they receive.

⁵ Ranked by the Audit Commission in the lowest quartile for population that is unemployed, population that is income deprived and ranked in the top 25 employment deprivation. Data drawn from: <http://www.areaprofiles.audit-commission.gov.uk/>

⁶ Calculated using salaries of equivalent roles from the Annual Survey of Hours and Earnings, 2006. Available at: http://www.statistics.gov.uk/downloads/theme_labour/ASHE_2006/tab2_5a.xls

4.0 Volunteering and the Citizens Advice

Levels of volunteering in the UK have remained unchanged since 2001. 73% of adults volunteer at least once in a 12 month period, 48% of the population volunteer at least once a month. Levels of formal volunteering,⁷ which would include volunteering at a local Citizens Advice Bureau, have risen from 39% in 2001 to 45% in 2007.⁸

Overall volunteer numbers at Citizens Advice Bureaux have remained at approximately 21,000 for the last five years. In 2006/07, 12,500 volunteers were providing advice to clients.⁹

Volunteers at the Citizens Advice Bureaux are trained extensively. A typical training course to become an advisor is approximately 240 hours, and teaches valuable skills to the individual – in terms of advising clients and understanding people's rights and the law, IT literacy, negotiation, and communication. Each year, the service recruits more than 4,000 volunteers to enter the generalist adviser training programme.

Key Statistics: Citizens Advice Volunteers

- ✓ 21,000 volunteers in England and Wales including trustees (16,700 excluding trustees)
- ✓ Value of volunteers exceeds £90m
- ✓ 12,500 volunteer advisers
- ✓ 38% of volunteers leave for paid work or further education

4.1 Volunteering: What's in it for the volunteer?

Regular volunteers are generally positive about their volunteering experiences. 95% feel their efforts are appreciated while 91% agreed that they were given the chance to engage in activities that they liked. The main benefits cited by volunteers are getting satisfaction from seeing the results of their work, enjoyment and personal achievement.¹⁰

TimeBank also cites health benefits and boosting of career options as individual benefits of volunteering.¹¹

Health benefits of volunteering have been researched in various studies. The Institute of Volunteering Research provides examples of health improvements associated with altruistic behaviour including faster recovery from health problems, reduced stress, a boosted immune and nervous system and reduced heart rate and blood pressure. These effects can be most noticeable in older volunteers, where there is the potential to reduce

⁷ Formal volunteering is defined here as giving unpaid help through groups, clubs or organisations to benefit other people or the environment. (<http://www.communities.gov.uk/news/corporate/citizenshipsurveyaprjun2007>)

⁸ *Citizenship Survey (England & Wales)*, Communities and Local Government, Q1 2007. Available at:

<http://www.communities.gov.uk/news/corporate/citizenshipsurveyaprjun2007>

⁹ *Bureau Characteristics Analysis*, Citizens Advice, 2007. Available at:

http://www.cablink.org.uk/bureau_characteristics_analysis_2006-10.pdf

¹⁰ *Helping out: a national survey of volunteering and charitable giving*, Office of the Third Sector, 2007. Available at:

http://www.cabinetoffice.gov.uk/third_sector/Research_and_statistics/third_sector_research/helping_out.aspx

¹¹ *What can volunteering do for you?*, TimeBank, date unknown. Available at:

http://www.timebank.org.uk/aboutgiving/benefits_vol.htm

the risk of disability and mortality, and have a longer life expectancy than non-volunteers.¹²

Volunteering as a means of boosting career options has been researched in a study commissioned by TimeBank. The results indicated that 94% of employers believe that volunteering can add to skills and 73% would employ a candidate with volunteering experience over one without.¹¹

Evidence from Citizens Advice Bureaux shows one in three volunteers goes on to paid employment (75% of bureaux volunteers are below 65 years old). In addition, 6% leave for further education.⁹ Law students who train and volunteer as CAB advisers can apply for a reduction of up to six months on their training contracts.

4.2 Community benefits of volunteering

Through volunteering, people build relationships, networks and bonds of trust. Volunteering is therefore widely recognised as having an impact on the 'health' of a community. It raises aspirations, encourages community participation and is part of the Government's vision for strong, active and empowered communities.

There are a total of 21,000 volunteers working in bureaux. Their activity is valued at in excess of £90m.¹³

4.3 The contribution of volunteering to Government targets and social policy

The Prime Minister's cross-cutting priority to enable a thriving third sector appears in the Service Transformation Agreement and sets out a target for increasing participation in regular volunteering. There is also a target for increasing youth participation in voluntary activity. Citizens Advice's active involvement in V makes a contribution to achieving these targets.

Citizens Advice Bureaux also contribute to the Department for Work and Pensions' strategic objective to "maximise employment opportunity for all". As a volunteer-led service, Citizens Advice directly contributes to getting more people into paid work. Between 2004 and 2007, 3,500 volunteers left bureaux for paid employment.

¹² *Volunteering Works: Volunteering and Social Policy*, Institute for Volunteering Research & Volunteering England, 2007. Available at: http://www.volunteering.org.uk/Final_Volunteering_Works.pdf

¹³ *Bureau Characteristics Analysis 2006/07*, Citizens Advice, October 2007. Available at: http://www.cablink.org.uk/bureau_characteristics_analysis_2006-11.pdf

4.4 Measuring the Value of Volunteering at Carlisle and District CAB

Carlisle and District CAB currently has 27 volunteers, 15 of which provide advice. Our volunteer advisers provided more than 4500 hours of advice in 2007/08.

**Key Statistics:
Carlisle and District CAB
Volunteers**

- ✓ Carlisle and District CAB has 27 volunteers, of which 15 provide advice
- ✓ Our advisers provided more than 4500 hours of advice in 2007/08
- ✓ We estimate the economic value of our volunteers to be over £130,000 per year
- ✓ Volunteers feel they have developed their workplace skills significantly since joining the bureau and that the work of the bureau makes a real difference to clients' lives.

We estimate the economic value of our volunteers to be approximately £98,000 per year.

In 2007/08, 8 volunteers joined the bureau, 4 of whom have begun training as advisers. 10 volunteers left the bureau: 3 went on to paid employment, 3 to education and 4 retired.

Volunteers at Carlisle and District CAB have commented on the benefits they experienced as a result of volunteering. In particular, volunteers have said that through their work at Carlisle and District CAB they have developed their workplace, communication and IT skills significantly.

In addition, volunteers have highlighted the rewarding nature of the work. Volunteers feel that the work of Carlisle and District CAB makes a real difference to clients' lives and this is reflected in the results

described in paragraph 3.2 above.

5.0 Debt Advice

5.1 An Overview of Problem Debt

Total personal debt in the UK currently stands at £1.3 trillion and increases by £1 million every four minutes.¹⁴ However, not all debt is problem debt. Citizens Advice defines over-indebtedness as when people “are unable to pay their current credit repayments and other commitments without reducing other expenditures below normal minimum levels.”¹⁵

Keeping up with bills and other commitments is either a constant struggle or worse for 9% of the population, with 3% falling behind, sometimes severely.¹⁶ Data from Citizens Advice bureaux suggests the problem is growing. The number of clients that bureaux advise with debt issues is rising year-on-year. In 2006/07, 540,000 Citizens Advice Bureau clients sought advice on debt problems, a 15% increase on the previous year.¹⁷

The causes of over-indebtedness are most commonly an unforeseen change in circumstances (such as illness or divorce) or unrealistic repayment expectations on the part of the creditor or the lender.^{18 & 20} Citizens Advice also cites the effects of changes in government legislation as a contributory factor.¹⁶

Debt problems rarely exist in isolation: many people face clusters of problems, of which debt may be the main or simply a component part. Over-indebtedness can be caused by, and contributes to, social exclusion, financial exclusion and poverty.¹⁸ Low-income groups are three times more likely than the general population to be in arrears with rent, council tax, utility bills or mortgage arrears¹⁹ and research suggests 35% of low-moderate income families are unable to meet repayments on at least one bill or credit commitment.²⁰

The impacts of problem debt on the individual can be severe. In-depth research conducted by the Legal Services Research Centre suggests 89% of debt clients worried about their problems most or all of the time. Around 43% of clients felt their health had suffered to some extent, while around 60% said they had received treatment, medication or counselling as a result of their problems. Further, it was identified that problem debt

Key Statistics: CAB Debt Advice 2006/07

- ✓ 540,000 debt clients
- ✓ 1.7m benefits problems presented
- ✓ The most common debt issues presented concern credit cards, store cards and unsecured personal loans.

¹⁴ UK Factsheets, ESRC, 2008. Available at: <http://www.esrcsocietytoday.ac.uk/ESRCInfoCentre/facts/UK/>

¹⁵ *In Too Deep*, Citizens Advice, 2004. Available at: <http://www.citizensadvice.org.uk/in-too-deep.pdf>

¹⁶ *Financial Capability in the UK: Establishing a Baseline*, Financial Services Authority, 2006. Available at: http://www.fsa.gov.uk/pubs/other/fincap_baseline.pdf

¹⁷ *Analysis of Advice Issues and Client Profile: England and Wales*, Citizens Advice, 2007. Available at: http://www.cablink.org.uk/analysis_of_advice_issues_2006-07.pdf (internal only)

¹⁸ *Tackling Over-Indebtedness*, Department of Trade & Industry (now BERR), 2005. Available at: <http://www.berr.gov.uk/files/file18547.pdf>

¹⁹ *Action on Debt*, Social Exclusion Unit, 2004. Available at: <http://archive.cabinetoffice.gov.uk/seu/downloadaddoc1967.pdf?id=214>

²⁰ *Fair, Clean and Competitive: The Consumer Credit Market in the 21st Century*, Department of Trade & Industry (now BERR), 2003. Available at: <http://www.berr.gov.uk/files/file23663.pdf>

can impact on an individual's relationships, employment, education and plans for the future.²¹

Problem debt also has a range of impacts beyond the individual. The Consumer Credit Market White Paper of 2003 concluded as follows: "The costs of over-indebtedness... [affect] financial institutions or creditors, and the State as a whole. Over-indebtedness, particularly among low-income groups, also has a significant negative impact on a number of Government objectives – for example, on eliminating child poverty, welfare to work aims, health inequalities and neighbourhood renewal."²²

5.2 How do individuals benefit from debt advice?

Detailed research on the impact of debt advice was published in 2007 by the Legal Services Research Centre, entitled *A Helping Hand: the Impact of Debt Advice on People's Lives*.²³ The research "provided clear evidence of a positive impact of debt advice."

The research found that financial improvement is greater when advice is given than when no advice is given at all. 70% of clients felt they had made headway against their debt at a twelve-month follow up. 33% stated that they owed a lot less; in fact, a year after receiving advice, clients owed, on average, £7,585 less.²⁴

Clients' financial situations were also found to have improved through better budgeting and improved negotiations with creditors. There was also evidence that advice improves people's understanding of their personal finances and, seemingly, helps them to better target 'priority' debts. At a twelve-month follow up, more than 50% of clients in the advice agency study (one of the four strands of research undertaken by the LSRC) believed that advice had helped them avoid or curtail legal action.

Individual benefits extend beyond purely financial gains. The research found that a year after receiving advice, 90% of clients reported improvements in their health; citing cases in which doctors have 'prescribed' debt advice in favour of medication (in the context of a proactive debt initiative), where this has been seen as a more effective route to addressing poor health brought about by debt.

The advice agency study also found that advice positively influenced clients' perception of their ability to cope and their outlook. 84% of clients reported feeling more in control of their finances following receipt of advice. The number worrying all or most of the time about their debts reduced from 89% at initial advice to 31% a year after receiving advice. A related outcome was that 70% of improvements in relationships were attributed to advice.

²¹ *A Helping Hand: the Impact of Debt Advice on People's Lives*. Legal Services Research Centre, 2007. Available at: <http://www.lsrc.org.uk/publications/Impact.pdf>

²² *Action on Debt*, Social Exclusion Unit, 2004. Available at: <http://archive.cabinetoffice.gov.uk/seu/downloadaddoc1967.pdf?id=214>

²³ *A Helping Hand: the Impact of Debt Advice on People's Lives*. Legal Services Research Centre, 2007. Available at: <http://www.lsrc.org.uk/publications/Impact.pdf>

²⁴ The researchers note that this figure should be treated with caution

5.3 How do communities benefit from debt advice?

The average cost per debt problem to the public (including lost economic output) is estimated to be over £1,000, with more serious problems costing many times this amount.²⁵

The LSRC researchers arrived at the figure of £1,000 per debt by considering a variety of costs to communities, including a £270 cost to Local Authorities of providing temporary accommodation to people who lose their homes; and the stress caused by 'difficult to solve' debt problems, which costs National Health Service around £50.

Health problems that result from problem debt cost not only the NHS but local businesses too, leading in some cases to "...absenteeism and loss of productivity for those in work."²⁶ The decline in productivity associated with over-indebtedness is conservatively estimated to be 30% of salary. The cost of its workers' financial problems to a company can be estimated by multiplying 30% of a workers' salary by the percentage of the workforce with such problems.²⁷

The cost of funding debt advice is considerably less than the cost of dealing with problem debts. The provision of debt advice is estimated at costing between £67 and £454. The Legal Services Commission has valued the cost of face-to-face debt advice at £196.²⁸ These figures suggest that timely debt advice leads to significant longer-term savings to the community.

5.4 Contribution of debt advice to wider social policy and Central Government

Over-indebtedness presents a barrier to delivery of objectives across Government, from tackling child poverty and social exclusion, to reducing barriers to work, and encouraging appropriate saving and investment.²⁹ Access to free face-to-face money advice is crucial to enable vulnerable consumers to deal with financial distress.³⁰

As part of their *Promoting Financial Inclusion* Strategy, the Government created a dedicated Financial Inclusion Fund of £120 million for the 2005-08 spending period. £47.5 million was to be used for free face-to-face money advice in England and Wales. £33 million went to Citizens Advice Bureaux, which paid for an additional 300 specialist money advisers.

²⁵ *A Helping Hand: the Impact of Debt Advice on People's Lives*. Legal Services Research Centre, 2007. Available at: <http://www.lsrc.org.uk/publications/Impact.pdf>

²⁶ *Action on Debt*, Social Exclusion Unit, 2004. Available at: <http://archive.cabinetoffice.gov.uk/seu/downloaddoc1967.pdf?id=214>

²⁷ *Fair, Clean and Competitive: The Consumer Credit Market in the 21st Century*, Department of Trade & Industry (now BERR), 2003. Available at: <http://www.berr.gov.uk/files/file23663.pdf>

²⁸ Figure excludes VAT and is accurate as at 1 October 2007. Available at: http://www.legalservices.gov.uk/docs/main/Focus_53_-_Mar_2007.pdf

²⁹ *Over Indebtedness*, Department for Business Enterprise and Regulatory Reform, 2006. Available at: <http://www.dti.gov.uk/consumers/consumer-finance/over-indebtedness/index.html>

³⁰ *Financial Inclusion: The Way Forward*, HM Treasury, 2007. Available at: http://www.hm-treasury.gov.uk/media/7/B/financial_inclusion030407.pdf

5.5 What has Carlisle and District CAB delivered to its debt clients?

3 full time equivalent volunteers deliver generalist debt advice to Carlisle and District CAB clients. In 2006 we were awarded Financial Inclusion Fund funding for a debt specialist, which has enabled us to employ workers to provide a dedicated debt advice service to the most vulnerable members of the community, in particular, to people with mental health problems and people in the Probation Service system.

Key Stats: Carlisle and District CAB Debt Advice

- ✓ 536 separate debt enquiries dealt with in 2007/08
- ✓ Over 1800 debt issues advised on
- ✓ Over £6m debt dealt with by CAB workers.
- ✓ Debt clients feel that Carlisle and District CAB have the ability to deal with their debt problems effectively
- ✓ Involved in local social policy on a number of issues such as problems with Jobcentre Plus, school uniform costs, irresponsible lending and problems with utility suppliers

In 2007/08, Carlisle and District CAB dealt with 536 debt enquiries. The queries typically concerned credit cards, store cards, charge cards, unsecured personal loans and repayments.

Carlisle and District CAB is actively involved in local social policy and in April 2007 a Social Policy Working Group was established. Prompted by a number of issues reported by clients, in 2007 we collected evidence for and acted upon issues concerning problems with the delivery of Jobcentre Plus services, the cost of school uniforms for low income groups, fee charging cash machines, difficulties with the repayment of mortgage and unsecured loans/irresponsible lending, tenancy deposit disputes, tax credit administration errors, utility suppliers' errors, overcharging and customer services, harassment from debt collectors and bailiffs, high-pressure sales techniques, lack of support in homelessness and inappropriate lender charges.

The total amount of debt dealt with in 2007/08 was £6,214,318.

96% of the clients surveyed felt that the assistance given by the bureau was very useful. Clients commented that aside from the financial gains they also experienced improvements to their health, stress levels and relationships.

6.2 How do individuals benefit from Welfare Benefits advice?

For some eligible non-recipients of welfare benefits, advice may be particularly important in enabling them to make claims. Mental health service users are more likely to find the complexity of the tax and benefits system overwhelming.³⁵

Take-up of entitlements by eligible non-recipients of benefits can make a considerable contribution to improving the financial situation of a household; deliver an increase in living standards and a reduction in deprivation and poverty experienced.³⁵

There is a close relationship between debt and benefit advice issues. Research has found that 15% of debt clients reported that advice led to an increased income through benefits.³⁶

Financial gains have been linked with health benefits. An increase in income was associated with a decrease in bodily pain at six months and improvements in psychosocial health at twelve months.³⁶

6.3 How do communities benefit from Welfare Benefits advice?

Welfare benefits and tax credits do not only represent gains for the individual, but can also be used as a part of local economic development.³⁷ A proportion of the higher incomes enjoyed by previously non-claiming recipients are spent on the purchase of goods and services,³⁶ and research in Glasgow found that income gained for the city's poorer residents was more likely to be spent locally³⁸.

Research conducted at Brighton and Hove Citizens Advice Bureau found that welfare benefits advice had resulted in increase in income of £676,000 to clients. Applying the methods of the New Economics Foundation's local multiplier toolkit (LM3), the study concluded that there was a total value to the local economy of £1,149,000.³⁹

Support with form filling has also been shown to reduce the administrative burden on organisations such as Jobcentre Plus, by ensuring the information is completed correctly before submission.

³⁵ *The benefits of welfare rights advice: a review of the literature*, National Association of Welfare Rights Advisors, 2006. Available at: http://www.nawra.org/nawra/docs_pdf/Benefitsofwelrightrightsadviceelitreview.pdf

³⁶ *A Helping Hand: the Impact of Debt Advice on People's Lives*. Legal Services Research Centre, 2007. Available at: <http://www.lsrc.org.uk/publications/Impact.pdf>

³⁷ *The Money Trail: Measuring your impact on the local economy using LM3*, New Economics Foundation, 2002. Available at: <http://www.neweconomics.org/gen/uploads/The%20Money%20Trail.pdf>

³⁸ *The Effect of Citizens Advice Bureaux on the Glasgow economy*, Fraser of Allander Institute, 2003. Available at: http://www.cablink.org.uk/ANONIDZF9F5CF7181D18038/fraser_of_allander_report-2.doc (**internal only**)

³⁹ *Eleven plus to one*, University of Brighton, 2003. Available at: <http://www.brightonhovecab.org.uk/pdfs/11to1.pdf>

6.4 Contribution of Benefits advice to Government and social policy

Citizens Advice Bureaux provide 650,000 clients with benefits and tax credits advice. This represents a significant contribution towards the Department for Work and Pensions' strategic objective to "pay our customers the right benefits at the right time."⁴⁰

Bureaux also contribute the objective of maximising employment opportunity for all. One element of this target is to increase the take up of formal childcare by low income working families. Bureaux advise on all aspects of Working Tax Credits, including the availability of the childcare element, and therefore contribute to this target. In 2006/07, bureaux dealt with 163,000 working and child tax credit issues.

6.5 What has Carlisle and District CAB delivered to its Welfare Benefits clients?

In 2007/08, Carlisle and District CAB dealt with 580 queries concerning Welfare Benefits and Tax Credits. The queries typically concerned council tax, housing benefits, eligibility and entitlement to benefits.

Key Stats:

Carlisle and District CAB Benefits Advice

- ✓ 580 separate benefits and tax credits enquiries dealt with in 2007/08
- ✓ Over 1700 benefit issues advised on.
- ✓ The total amount of benefits dealt with in 2007/08 amounted to more than £278,000.
- ✓ Clients feel that Carlisle and district CAB makes a difference to their knowledge and ability to deal with debt problems and have experienced improvements to their health, stress levels and relationships
- ✓ Involved in local social policy concerning problems with Jobcentre Plus services

The total amount of benefits dealt with in 2007/08 amounted to £278,421.

Clients commented that the bureau had made a real difference to their knowledge and ability to deal with problems in the future, and to their peace of mind. In addition, clients also identified improvements to their health, stress levels and relationships.

Carlisle and District CAB is actively involved in local social policy. Our clients raised a variety of issues in accessing the services of the local Jobcentre Plus. These included difficulties in applying for crisis loans, lack of support for vulnerable clients and clients in need of English language support and lack of provision of phones clients can use for benefit applications. We have engaged with Jobcentre Plus to resolve specific issues and we continue to monitor the situation to provide Jobcentre Plus management with feedback on the effect of their policies. Nationally, evidence collated by the bureau

contributed to the recognition by the Department of Work and Pensions and Jobcentre Plus of the need to provide better service and introducing a new free phone access for all new benefit claims.

⁴⁰ National indicators 180 and 181. See: <http://www.communities.gov.uk/documents/localgovernment/pdf/543055>

7.0 Advice on Housing Issues

7.1 An Overview of Housing Problems

Over 280,000 people presented housing problems to bureaux in 2006/07. 22% of problems concerned private rented properties; and 21% of problems concerned actual or threatened homelessness.

Within the category of private rented properties, the most common advice related to rents and other charges (an estimated 17,000 issues), rent deposits/bonds (16,000), repairs/maintenance (12,000) and security of tenure (10,000).

Actual and threatened homelessness are the most extreme and immediate of housing problems. Bureaux were presented with more than 85,000 actual and threatened homelessness problems in 2006/07.

Homelessness can severely affect health and employment prospects. The life expectancy of someone sleeping rough is estimated to be 42 years, half that of the average UK citizen and worse than Ethiopia or the Republic of Congo. Homeless households, in particular 'single homeless' and rough sleepers, have a higher prevalence of physical and mental health problems and the experience of homelessness often exacerbates problems.⁴¹

Lack of suitable accommodation or the cost of housing is a barrier to accessing employment reported by a third of single homeless people. More than half of homeless people want to engage in learning and skills development, but only a fifth do at present. 37% of homeless people have no qualifications (compared to 10% of the general population).⁴¹

A significant amount of research has been conducted on the effects of homelessness or inadequate accommodation on children. According to Shelter, one in seven children (1.6m) in Britain are homeless or in squalid housing that wrecks their health, education and future chances. Shelter have conducted studies into the affects of bad housing on health and education, demonstrating that children living in such conditions can suffer physically and mentally, and are more likely to struggle at school.⁴²

Citizens Advice and Shelter work in partnership to provide the National Homelessness Advisory Service, which aims to prevent homelessness and remedy other housing problems through increasing public access to high-quality advice. Interim results from recent work on measuring outcomes of the service are positive: the most common

Key Facts 2006/07: CAB Housing Advice

- ✓ 280,000 people presented housing problems to bureaux
- ✓ One in five problems concerned private rented properties; a further one in five concerned actual or threatened homelessness
- ✓ 12,000 problems related to private landlord possession action
- ✓ 21,000 issues recorded concerned neighbour problems
- ✓ The National Homelessness Advisory Service is a long standing partnership between Citizens Advice and Shelter

⁴¹ *Impact of Homelessness*, Homeless Link, 2007. Available at: <http://www.homeless.org.uk/policyandinfo/facts/impact>

⁴² *Key Statistics*, Shelter, 2007. Available at: <http://media.shelter.org.uk/content/detail.asp?NewsAreaID=29&ReleaseID=111>

outcomes recorded are homelessness prevented, financial gain and homelessness delayed.

7.2 Individual Benefits of Housing Advice

Interim data from the NHAS outcomes pilot project suggests a wide range of secondary individual benefits beyond the primary outcomes of preventing / delaying homelessness, and financial gains.

A majority of clients stated that following advice, they understood the system better, they were more able to help themselves, they felt more confident and had greater peace of mind and that their health had improved (with some reporting a lot of difference to their health).

For those clients threatened with homelessness, or helped out of homelessness, a reversal of the negative effects of homelessness can also be inferred, such as improved chances of finding work, succeeding in education and a longer life expectancy.

7.3 Community Benefits of Housing Advice

Some or all of the community costs of homelessness can be mitigated by timely intervention.

Using a number of case studies, Crisis found that the cost of homelessness ranged from £4,500 to £83,000 per individual scenario. These costs were arrived at by considering the cash impact of a failed tenancy (costs borne by landlord), Local Authority temporary accommodation, support services (e.g. advisers), health services, Criminal Justice System and prisons, potential resettlement costs and lost economic output.⁴³

Further, the cost to government of an unemployed person staying in a hostel is approximately £15,500 per year. If adequate support and move-on accommodation is offered people will be able to come off benefits and become net contributors to the economy.⁴⁴

Other benefits include a decreased fear of crime and increased ability to participate in the community.

⁴³ *How Many, How Much? Single homelessness and the question of numbers and costs*, London Crisis, 2003. Available at: http://www.crisis.org.uk/downloads.php/121/HowManyHowMuch_full.pdf

⁴⁴ *Impact of Homelessness*, Homeless Link, 2007. Available at: <http://www.homeless.org.uk/policyandinfo/facts/costs>

7.4 Benefits of Housing Advice to Wider Social Policy and Central Government

A key success of Citizens Advice's social policy work was the introduction of statutory requirements to ensure tenancy deposits are protected and to aid dispute resolution. This was passed in The Housing Act 2004.⁴⁵

By providing advice and peer support on accommodation issues bureaux also contribute to meeting the government's target of 70,000 prisoners having found accommodation to go to after release.⁴⁶

7.5 Measuring the Value of Carlisle and District CABs Housing Advice

In 2007/08, Carlisle and District CAB dealt with 127 queries concerning housing issues. The most common areas we advised on were threatened homelessness, tenancy deposit disputes and the general lack of support for those facing homelessness.

Key Stats:

Carlisle and District CAB Housing Advice

- ✓ 127 separate housing enquiries dealt with in 2007/08
- ✓ Over 200 housing issues advised on
- ✓ More than 40 clients threatened with homelessness who were advised by Carlisle and District CAB had homelessness delayed or avoided
- ✓ Involved in local social policy

Following up with clients threatened with homelessness is challenging because these clients are more likely to have moved from the original address. Our advisers are experienced in dealing with such clients and their work has helped clients to delay or avoid homelessness.

Carlisle and District CAB is actively involved in local social policy. Prompted by a number of issues concerning problems with tenancy deposits reported by clients, in 2006-07 we surveyed all clients who were or had been in rented accommodation, gathered evidence of disreputable landlords and the effect on client lives, and lobbied government, through the national CAB service, to put legislation in place to safeguard tenancy deposits.

⁴⁵ *Tenancy Deposits Campaign*, Citizens Advice, 2007. Available at:

http://www.citizensadvice.org.uk/index/campaigns/current_campaigns/tenancy_deposits_campaign.htm

⁴⁶ *Volunteering Works: Volunteering and Social Policy*, Institute for Volunteering Research & Volunteering England, 2007. Available at: http://www.volunteering.org.uk/Final_Volunteering_Works.pdf

Advice on Employment Issues

7.6 Overview of Employment Issues

Employment issues were presented to bureaux by 276,000 clients in 2006/07. The top categories for advice were pay & entitlements, dismissal, terms and conditions of employment and dispute resolution.⁴⁷

Employee stress impacts the individuals concerned, the workplaces and the wider community. About 1 in 5 people say that they find their work either very or extremely stressful. Over half a million people report experiencing work-related stress at a level they believe has actually made them ill.⁴⁸

More than 70% of all discrimination issues presented to bureaux in 2006/07 related to employment discrimination. Discrimination on the grounds of disability (excluding mental health) was the most common form of employment discrimination presented to bureau (23% of all employment discrimination). This was followed by sex / gender discrimination (21%), race discrimination (14%) and pregnancy / childcare (13%).⁴⁷

Key Facts:

CAB Employment Advice 2006/07

- ✓ 276,000 people presented employment problems to bureaux
- ✓ 505,000 Employment issues were presented.
- ✓ Three in five problems concerned pay and entitlements, dismissal, terms & conditions and dispute resolution.

7.7 Individual Benefits of Employment Advice

Some or all of the personal negative impacts of employment problems and related impacts can be eased by good advice.

As a result of bureau advice, clients with employment problems can retain their job, protect their terms and conditions, or, where it is not appropriate for them to return to their job, Citizens Advice bureaux can gain financial compensation through tribunals.

With Terms and Conditions the most common of all employment issues presented, one of the main benefits of employment advice provided by Citizens Advice Bureaux is ensuring clients are aware of their rights as an employee.

7.8 Community Benefits of Employment Advice

Each case of stress-related ill health leads to an average of 29 working days lost. A total of 13.4 million working days were lost to stress, depression and anxiety in 2001. Work-related stress costs society between £3.7 billion and £3.8 billion a year.⁴⁸ Timely advice can reduce stress and mitigate the economic cost.

⁴⁷ *Analysis of Advice Issues and Client Profile: England and Wales*, Citizens Advice, 2007. Available at: http://www.cablink.org.uk/analysis_of_advice_issues_2006-07.pdf (internal only)

⁴⁸ *Tackling Stress: the management standards approach*, Health and Safety Executive, 2007. Available at: <http://www.hse.gov.uk/pubns/indg406.pdf>

7.9 Contribution of Employment Advice to wider social policy and Central Government

The Department of Trade and Industry identifies "Working to deliver equality and to maximise potential in the workplace" as a key objective.

7.10 Measuring the Value of Carlisle and District CABs Employment Advice

In 2007/08, Carlisle and District CAB dealt with 146 queries concerning Employment issues. The most common area we advised on was terms and conditions of employment.

**Key Stats:
Carlisle and District CAB
Employment Advice**

- ✓ In 2007/08 146 separate employment cases were dealt with
- ✓ 292 employment issues advised on
- ✓ Clients commented on the indirect benefits of assistance included improvement in their health and general wellbeing
- ✓ Involved in local social policy including educating local migrant communities employment rights.

Clients have commented that aside from having their issues dealt with satisfactorily, they also experienced improvements in their health, relationships and general wellbeing.

Carlisle and District CAB is actively involved in local social policy. We have a large local Polish community and recruited workers who were fluent in languages spoken by migrant communities. The issues faced by the community are predominantly housing and employment related. We have been proactive in meeting with the community through group sessions to discuss these issues and provide advice and information in Polish.

8.0 Case Studies

8.1 Macmillan Case Studies

Case Study 1

A client, who wishes to remain anonymous, visited the service after being referred by a Macmillan Nurse. She is 46 years old, single and lives alone. She had worked all her life until she was recently diagnosed with terminal lung cancer. Since having to stop work the client was living on £72.55 per week. This had to cover her rent, council tax and food. It also had to cover her travel costs to the hospital for her treatment.

On behalf of the client we identified the different benefit options and highlighted over £9,000 of benefits (per year) that she was entitled to, plus full help with her rent and council tax, and help with her health costs. This means that she now has an extra £182.10 per week to live on.

Due to the treatment the client had lost a lot of weight and her clothes no longer fitted, yet she was unable to afford any more new clothes. We applied for a Macmillan Grant on behalf of the client and she was awarded £200.00 to buy some new clothes.

She visited the service a few months later about a Tax credit overpayment of £1,500.00, which she was being asked to pay back. We helped her and the Tax Office agreed to write the debt off.

The client stated that the service was invaluable. The advice and assistance eased her worries about money issues and gave her more money to live on improving her quality of life.

Case Study 2

Client was diagnosed with a brain tumour – terminal. He had to stop working and therefore was unable to pay his mortgage. At this point he did start proceedings to sell the property. He missed two mortgage payments. The client did contact the mortgage provider about the situation and they had informed him that they would get someone to phone him back. The client was not contacted until he received a letter requesting him to appear at County Court for a Possession hearing. The client contacted the Adviser.

The Adviser was able to negotiate on behalf of the client with the mortgage provider. The Adviser was able to halt the court action, and organise for the mortgage provider to wait until the house sale went through, which would then clear the clients mortgage. This was supported by evidence.

The client also made a profit of £8,000 from the sale after all costs by the mortgage provider were taken off.

Case Study 3

Client diagnosed with terminal bowel cancer, accessed the service after being referred by a Macmillan Nurse. He had had to stop working and he and his wife were struggling to live on the reduced income. We assisted the client to claim Disability Living Allowance and he was awarded the highest rates and received a weekly award of £109.50, tax free. The client also claimed Incapacity Benefit but the claim was refused, as the client appeared not to have paid enough National Insurance contributions. We assisted the client to dispute this decision and we were successful. The original decision was overturned and the client received a backdated lump sum of £1,600, as well as a weekly award of £81.35.

The client stated he would not have been able to manage without the assistance of the Macmillan/CAB Advice Service. The client now has an extra £194.00 per week to live on.