

# Snapshot

Monthly advice trends in Scotland



*Case evidence and statistics from the Scottish CAB Service*

# On the Case

## A monthly snapshot of CAB case evidence

Snapshot is available here: <http://www.cas.org.uk/publications>

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.

# A Snapshot of Scotland

In 2011/12, Citizens Advice Bureaux (CAB) in Scotland helped nearly 200,000 clients with half a million new problems. That's nearly 1,500 new problems brought to CAB for each day of the year. More than 2,200 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 that 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 can be translated into better policies and practices in the future. Snapshot uses bureau evidence to act as an early warning system for government, service providers, and private sector companies, of where policies and practices are failing or inefficient. These monthly 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.

## Key trends in March 2013

- The majority of bureaux use a real-time recording system that shows the problems that they see and the work that they undertake to help their clients. The database records around 87% of total advice given in Scotland, which means that total figures for CAB will be higher than indicated here.

## In March 2013

- CAB advised on 38,645 new issues. This was a 2% decrease in issues compared to February 2013.
- Clients were better off by £8.8 million as a result of advice received at citizens advice bureaux.
- Citizens advice bureaux provided representation at 362 tribunals or court cases, including 351 welfare tribunals.
- Advisers helped clients to complete 2,064 forms or applications, including 1,755 benefit forms.

## Types of problems

The top ten areas of advice are listed below. One in 13 new issues is now related to ESA which is almost twice the level of the next two most common issues put together.

Table 1: New issues in March 2013

| Issue                      | Number of New Issues |
|----------------------------|----------------------|
| ESA                        | 2,994                |
| Housing Benefit            | 1,829                |
| DLA (Care)                 | 1,286                |
| Personal loan debt         | 1,219                |
| Credit card debt           | 1,157                |
| DLA (Mobility)             | 1,134                |
| Council Tax Benefit        | 1,064                |
| Jobseekers Allowance (JSA) | 994                  |
| Council Tax arrears        | 941                  |
| Debt remedies              | 890                  |

Housing Benefit issues increased significantly in number compared to February (+15%) and compared to the same period in 2012 (+30%). This is due to people coming for advice on under-occupancy changes (the 'bedroom tax'). Housing issues increased in volume, particularly in the private and social rented sectors.

Table 2: Monthly change

| Issue                   | Percentage Change | Additional Issues |
|-------------------------|-------------------|-------------------|
| Housing Benefit         | +15%              | +241              |
| Private rented housing  | +14%              | +98               |
| Local authority housing | +13%              | +49               |
| Charitable applications | +24%              | +37               |
| Budgeting Loan          | +38%              | +30               |

Table 3: Year on Year increase

| Issue                   | Year on Year Increase | Additional Issues |
|-------------------------|-----------------------|-------------------|
| ESA                     | +32%                  | +726              |
| Housing Benefit         | +30%                  | +421              |
| Regulated fuel issues   | +17%                  | +67               |
| Local authority housing | +16%                  | +59               |
| JSA                     | +10%                  | +92               |

## Issue of the month: Consumer Scams

Scams are schemes to cheat people out of their money. Scams come in a variety of ways: post, phone, email, online, sometimes with a knock on the door. There are hundreds of scams: fake lotteries and prize draws, bogus health cures, dodgy investment schemes, pyramid selling, phishing - to name just a few. New scams appear as more people become aware of them and as criminals try to keep one step ahead.

Every year more than three million people in the UK fall victim to scams, losing hundreds and even thousands of pounds. Some of these are clients who come to the CAB for advice when they have been scammed as the following cases show.

May 2013 is Scams Awareness Month which aims to inform people about how to avoid being taken in and how they can fight back against the scammers. For more information on the campaign, and how you can get involved, see [www.cas.org.uk/stopscams](http://www.cas.org.uk/stopscams)

- ▶ **North of Scotland CAB reports of a client who is an elderly man living on his own in his council rented house, having been widowed. He had been "cold called" by a representative of a company to sign up to their portfolio of services which included handling PPI claims. The client had been informed that he was in line for a PPI refund. Despite saying that he had never taken out PPI, the client was encouraged to sign up for the company's services. He was asked if he had a credit card and when he confirmed this, he was informed that PPI was included in the payment charges levied by the credit card company. The client stated that, due to the persuasive sales technique of the company's**

representative, he had agreed to sign up for the company's services at a cost of £299. The following day the client was contacted by another company representative and asked for his credit card details; £299 was subsequently charged to his credit card. He tried to cancel his contract with the company so that he could get his money back as he now regretted having been persuaded to sign up with them. He felt he had been taken advantage of and stated that he had been confused by all the information and persuasive sales talk at the original "cold call". Unfortunately when he called the company to cancel his contract he had been informed that, as he was outwith the seven day cancellation period, he could not have his contract cancelled and his money refunded.

- ▶ **A West of Scotland CAB reports of a client who received a default Notice for the sum of £307.50 from a lending company. He had not taken out any loans and has had no dealings with this company. He further advises that his daughter had money taken from her account by this Pay Day Loan company, £10.00 and £30.00. She went to the Police and they confirmed this was fraud. She has since been reimbursed. He phoned the number they gave him on the letter and, as instructed, keyed in the number they quote and then his date of birth. This came back as a mis-match. The adviser checked to see if this was indeed a Pay Day Loan Company, and informed Trading Standards but they had not had notice of fraud by this company. The adviser agreed to ask the company for a copy of the agreement and notify them that our client has never taken out a loan with them, and recommended that the client go to his bank and make sure a stop is put on any approach by this company to access his funds**
- ▶ **A North of Scotland CAB reports of a client who has been the victim of internet fraud. He had purchased a Vauxhall Astra VXR car on an online auction site and paid for it by bank transfer to the "seller's" bank account. He had entered into live-chat with the supposed seller to try to satisfy himself that the seller was genuine and, after making detailed arrangements for the car to be delivered as far as Inverness for him, he arranged to make the bank transfer of the selling price of £4200 and awaited information on when to go and collect it. Once his money had been transferred into the seller's account, all the e-mail addresses etc. he had been using were closed down and he has been unable to get in touch with the seller, with whom he had been corresponding by email. Client had a name and address for the supposed seller and also the name of the account which his money**

# Case analysis

was paid into. Wick Police advised the client that the bank account details appear to be for an address in London. Wick Police say that they had contacted Met Police in London and told the client that Met are “not interested in investigating the client’s complaint”.

- ▶ A West of Scotland CAB reports of a client who applied for a job with Makro through Gumtree. The client was asked to forward her CV, and scan her driving licence, birth certificate and also send a U-Cash voucher for £60 for a Disclosure check. The client went into Makro the following day to confirm Makro had received all documents. Makro informed the client that although they had vacancies they advertised them on their official website, not Gumtree. The client then realised she had been a victim of a scam and was concerned about the sensitive documents she had scanned online to the scammers. Client reported the fraud to the Police.

## Digital Access

In November 2012, the UK Government launched its Government Digital Strategy. This paper sets out how the Government will transform the way it delivers services to citizens, including moving services online – a change in ethos to “digital by default”. Citizens Advice Scotland is concerned that a digital by default approach to welfare benefits could exclude some of the most vulnerable and marginalised members of society from accessing the very services they rely upon.

In February this year, CAS published *Voices From The Frontline: Digital By Default* which gave evidence from citizens advice bureaux, showing how people are already not accessing benefits to which they are entitled because they cannot access or use the internet.

Following the *Voices* report, CAS has carried out a national survey to find out how many benefit claimants are affected by digital exclusion, and in what ways. 39 CAB took part in the survey, and we have received over 2100 responses. A massive thank you to all those who took part in gathering this evidence, which will be used to produce a report showing the stark reality for claimants who cannot access the internet.

- ▶ A West of Scotland CAB reports a client who came as his Job Seeker’s Allowance (JSA) had been sanctioned for 2 weeks because he was not registering his job searches online correctly. He says he was going on to Direct Gov website and various others to look at suitable employment but had no knowledge of how to do it properly. He was told he must use the official Direct Gov and register each time he was on. He didn’t receive any advice on the use of websites and computers and made mistakes - so received the sanction. He appealed the sanction, but this had been denied. He applied for a hardship payment but this couldn’t be faxed through at that time.
- ▶ A West of Scotland CAB reports of a client who came to the bureau because her income-based Jobseekers Allowance was stopped. She was late in submitting the reason for not signing on. Her claim was closed down, and Jobcentre Plus told her to reapply for JSA. She made an online application on the 13th February but never heard any more about this claim. Then the client made an application on the 23rd February for JSA and was told paperwork would be sent to her. She did not receive any papers. The CAB adviser phoned Aberdeen Benefits Centre to enquire about the client’s online JSA application. The adviser was told that a private firm handles online applications and if it went missing there is nothing they can do about it.
- ▶ A North of Scotland CAB reports of a client who is a single parent and in receipt of Jobseekers Allowance. She lives in a rural village and it costs her £7.25 to take the bus through to Inverness to sign on. The client has been signed up for Universal Jobmatch which requires her to look for jobs via the internet 5 times a week. The client does not have internet at home and cannot afford a computer. Again, due to her rural location she is incurring bus fares of over a pound a day to travel into Nairn to use the computers in the library. During the school holidays she will have to take her daughter in with her every day as well as she has no childcare options. As part of her jobseekers agreement she is also required to apply for jobs within a 3 hour travel range. The client feels that these conditions are penalising her for her rural location and insufficient consideration is being given to those on benefits who cannot afford internet access. The client is aware that if she does not meet the conditions of her agreement she may be subject to sanctions and again is worried about this. The client also wished it to be noted that she has encountered other jobseekers at the library who have been very stressed by the online job seeking process as they have never used a computer before. The client has had to assist them with setting up an email account and other basics regarding accessing information via the internet.

## DWP admin procedures: security checks

CAS has seen lots of cases in which clients are failing security checks when phoning the DWP and HMRC. In some cases, if the client cannot answer, the adviser will not tell the client which bit of information they are failing to answer correctly and simply hangs up.

In many cases it appears that the client has to fail the security checks three times before the DWP will call the client back or speak to the bureau on the client's behalf.

- ▶ An East of Scotland CAB reports of a client who has tried several times to phone Employment and Support Allowance to ask if they have received his application and when he can expect a payment, but on every occasion he has failed the security questions and had the call ended. However, he does not know what security question answer is that he needs, and they will not tell him. As it is now four weeks since his last ESA payment he only gets his weekly Child Benefit and fortnightly £70 Child Tax Credit. He has tried to claim a crisis loan. Each time he has been refused including recently because, after telling them he spends £60 per week on food for him and daughter, the person who was taking his claim details said that they "do not believe that as they have 4 children and they only spend £60 per week". The client found the call very degrading. He was not sent or offered a written decision. The client is very concerned about rent as he rents from a private landlord and rent is due at the end of this month. When the adviser phoned Aberdeen Benefits Centre, they confirmed that they had received the claim on 13th March but was marked "not touched" so it would be about two weeks before it will be processed.
- ▶ An East of Scotland CAB reports of a client who is signed on for ESA after many problems at the DWP end. However, he has not been paid and does not know why. He has sent sick lines to cover the current period and received no correspondence; he has not attended a medical recently. He is destitute and has had major problems getting ESA over the past while and went without income for extended periods. When contacting the DWP, the client failed the security checks. The adviser asked if they could assist in ensuring the client could pass security or speak to a supervisor, but the person from DWP said no, they could not. When the adviser explained that the client has limited English and comprehension, the person on the phone began speaking to the adviser very slowly explaining again that the client had failed security

and therefore should call again. When the CAB adviser stated again that it was the client who had limited English and that the situation was rather serious for the client, the DWP adviser hung up abruptly. The adviser rang again twice more, and each time the client failed the security question, but on each occasion the DWP adviser would not confirm which piece of information that the client was providing was inaccurate. The adviser arranged a food package from a church, and the client agreed to contact CAB once the DWP contact him.

## Under-occupancy

Throughout March we continued to receive cases showing how clients were likely to be affected by the changes to Housing Benefit. Particularly, advisers responded to the call for evidence for cases in which people with disabilities or care needs would be affected by the changes.

The Govan Law Centre in Glasgow has produced a toolkit guide which explains how clients affected by the new underoccupancy rules can challenge changes to their housing benefit. The toolkit outlines a menu of possible appeal grounds and supplies the correct form for appealing the decision.

- ▶ A North of Scotland CAB reports of a client who contacted the bureau by phone to seek advice concerning the 'bedroom tax' which Moray Council is applying to her Housing Benefit from Monday 1 April 2013. This will result in a reduction of £11.01 in her weekly housing benefit. The client has two children, boys aged 8 years and 6 years. The eldest boy has psychiatric problems and is in receipt of the high rate of the care element and the low rate for the mobility element of DLA. The client's husband is receiving income based ESA in the work related activity group. The client stated that the reason she was allocated a 3 bedroom house in the first place was due to the problems her eldest son suffers from and his unpredictable behaviour because of these problems. The son has been known to display threatening behaviour towards his younger brother. The client has contacted the Moray Council Housing Dept and they have indicated to her that there is no exemption to the 'bedroom tax' due to a child disability. She has also written to the council but she has not received a reply.

## Case analysis

- ▶ A West of Scotland CAB reports of a client who had been advised by the Local Authority that as she had two bedrooms in her property and only used one, her housing benefit would be reduced by 14%. The client had completed a household questionnaire with the Local Authority but was now looking to see what her options were regarding the reduction in benefit. The client states that she is on Disability Living Allowance (Higher Rate Mobility and Middle Rate Care) her husband is on Lower Rate Mobility and they are both income support. They have no other income and feel that this reduction would cause severe hardship. The client states that the spare bedroom is used by both her husband and herself when their health is particularly bad, which is at least a few nights each week. For example, her husband has asthma and his difficulty breathing prevents her from sleeping - she also has arthritis and her restlessness during the night results in her husband from sleeping. The client has lived in the house for 30 years and moving to a smaller property would cause distress and would result in one of them sleeping in the living room when their health is bad
- ▶ An East of Scotland CAB reports of a client who had received a letter from Edinburgh Council telling him about the changes to his Housing Benefit, i.e. he was living in a 2-bed house so would have to either: a) pay 14% more in rent; b) move to a 1-bed flat; or c) take in a lodger. The client has Aspergers in addition to various other medical ailments and currently receives ESA, full HB and CTC. He had submitted reports from his GP, Psychiatrist and Edinburgh Council Support Worker to support his claim for ESA. He is terrified at the thought of sharing his home with anyone and has only ever lived with other family members (and even then not since 1999). He's spoken to his brother who says he couldn't possibly share with someone because of his 'peculiarities.' The client is also a hoarder, which makes it difficult to clear the property adequately to rent out a room. He is also very worried about where he would find an extra 14% to pay for his extra room. The adviser tried to calm client as he appeared to be getting quite distressed with the thought of having to move home or getting into arrears with his rent and being evicted if he can't keep up the 14% extra payment that may be levied on him because he has an extra bedroom.

There are several changes to welfare benefits which have been introduced this April. The changes which affect clients in Scotland are the underoccupancy rules applied to housing benefit; council tax benefit changed to council tax reductions; the introduction of the Scottish Welfare Fund; and changes to eligibility criteria for certain Social Fund payments, including funeral payments. The CAS Social Policy Team will continue to monitor the welfare reforms as they are introduced.

An example of the new changes affecting clients can be seen below. It's worrying that someone in these circumstances was not made aware of the Scottish Welfare Fund by either Social Work or the Jobcentre.

- ▶ A West of Scotland CAB reports of a client who is in her 70s, married and a council tenant. She receives state pension, pension credit and attendance allowance for her 3rd round of cancer treatment and has a serious lung condition. Her husband gets DLA and State pension, he has a colostomy bag fitted and they are both very frail. The client's washing machine broke down and, unable to cope, she has applied for a Macmillan grant. She went to Social Work to get the form completed but they turned her away and told her to go the Jobcentre who have sent her here. When the client reached the CAB she was given information on the Scottish Welfare Fund which social work should have informed her about.

Using the evidence provided by bureaux, CAS writes consultation responses, briefing sheets and research reports on a wide range of issues. All of our external publications can be found on the CAS website [www.cas.org.uk](http://www.cas.org.uk), in the publications section. Some of our most recent publications are:

### **Voices from the Frontline: the Bedroom Tax**

This briefing looks at the situations that many clients described to bureaux in the weeks running up to the start of the 'bedroom tax'. These situations cover a wide range of people and needs, including parents worrying about the care of their disabled children; adults with disabilities facing the loss of their adapted home; foster carers losing support for caring for vulnerable children; tenants who face moving out of rural communities away from family, friends and support structures; and separated parents who face losing access to their children.

### **A Tidal Wave of Change**

In October 2011, Citizens Advice Scotland published a briefing entitled 'The Impact of the Welfare Reform Bill on Scotland's People and Services'. The briefing showed that an estimated £2.5 billion would be taken out of the local economy in Scotland during the lifetime of this Parliament and predicted what the impacts would be on people. Almost 18 months later, citizens advice bureaux have seen the human impact of the series of the reforms, changes and cuts that have taken place in the benefits system. A Tidal Wave of Change shows that the extent of this struggle has been unanticipated and often shocking.

During March, the CAS Social Policy team have been working on:

### **Digital access survey**

Over the last month, 39 bureaux participated in our digital access survey, which aimed to find out what kinds of difficulties people experience in accessing and using the internet. We are currently in the data-entry phase of the research, and will soon be able to publish the results.

### **Better dispute resolution in housing consultation**

We have recently written a response to a Scottish Government consultation on the introduction of pre-court tribunals for housing disputes.

### **Statistics from the Citizens Advice consumer service**

The Citizens Advice consumer service is the new name for Consumer Direct helpline which transferred from the Office of Fair Trading to the Citizens Advice Service in April 2012. In its first year, the consumer service dealt with over 56,000 issues for consumers in Scotland. We published an analysis of the first six-months' worth of data from the consumer service in the Autumn and will soon be publishing a report on the last six months as well as looking back over the first year. This publication – Consumer Snapshot – will be produced quarterly from July 2013 and examines the kinds of issues that consumers in Scotland are facing.

### **Food poverty**

Due to the increase in demand for food parcels bureaux have seen over the past year, CAS are researching this issue from a social policy perspective. The poorest 10% of households spend almost ¼ of their income (23.8%) on food compared with 4.2% for the richest 10%. We are planning to give evidence for the Government's consultation on the introduction of a new Food Body in Scotland.

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