

# 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.

## Key trends in April 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 April 2013:

- CAB advised on 40,799 new issues. This was a 5% increase in issues compared to April 2012.
- Clients were better off by £7.7 million as a result of advice received at citizens advice bureaux
- Citizens advice bureaux provided representation at 355 tribunals or court cases, including 341 welfare tribunals.
- Advisers helped clients to complete 2,163 forms or applications, including 1,812 benefit forms.

## Types of problems

The top ten areas of advice are listed below. ESA continues to be the most common area of advice at bureaux, although Housing Benefit is the quickest growing area. Housing Benefit issues were easily the second most common issue in April 2013 compared to fifth most common in April 2012.

**Table1: New issues in April 2013**

Issue	Number of New Issues
ESA	2,994
Housing Benefit	1,829
Unsecured personal loan debt	1,286
DLA (Care)	1,219
DLA (Mobility)	1,157
Credit card debts	1,134
JSA	1,064
Debt remedies	994
Council Tax (non arrears)	941
Private rented sector housing	890

Housing Benefit issues increased significantly in number compared to the same period in 2012 (+60%). This is due to people coming for advice on under-occupancy changes (the 'bedroom tax'). Housing issues increased in volume, particularly in the private rented sector.

Tables 2 and 3 show the issues that increased in frequency both in the last month and when compared to the same period last year. Council Tax cases increased significantly in April (more than five times higher than in March or the same period last year). This is likely to be due to the new Council Tax Reduction scheme which replaced Council Tax Benefit in April 2013. Around 500 issues related to the reduction in a client's bill, which is likely to mean that clients were either asking about the change or where querying the amount.

Alongside the significant increase in Housing Benefit issues, a number of benefits increased in advice demand including ESA and JSA.

**Table 2: Monthly change**

Issue	Percentage Change	Additional Issues
Council Tax (non arrears)	+401%	+686
Death and bereavement	+45%	+78
Small claims	+33%	+79
Housing Benefit	+8%	+143
JSA	+8%	+78

Table 3: Year on Year increase

Issue	Year on Year Increase	Additional Issues
Council Tax (non arrears)	+449%	+701
Housing Benefit	+60%	+740
ESA	+44%	+924
Private rented housing	+35%	+217
JSA	+29%	+240

## Issue of the month: Bedroom Tax and Debt

The so-called 'Bedroom Tax' means that people can lose 14% of their Housing Benefit if they have a single spare bedroom and 25% if they have 2 spare rooms. The new underoccupancy rules have caused many people to spiral further into debt as tenants on Housing Benefit can no longer afford to pay their rent. Ninety-three percent of Scotland's Housing Associations have predicted that their tenants' rent arrears will increase over the course of the year due to the effects of the 'Bedroom Tax'. In other cases people are using all other sources of money to pay for the gap in Housing Benefit leaving little or no money to pay essential costs such as food and energy, let alone meeting their debt payments.

- ▶ **An East of Scotland CAB reports of a client who has been affected by the 'Bedroom Tax', which he cannot afford. He has high rent arrears but has an agreement in place to pay it back, council tax arrears with no agreement, Provident debt and debts to Studio cards which he is still paying by direct debit. The client has no money for food at this time and is relying on family and friends, with no money until next Thursday. The CAB referred the client for DHP and crisis grant from Scottish Welfare Fund.**
- ▶ **An East of Scotland CAB reports of a client whose debt has been passed on to a debt collection agency. The client is now affected by the 'Bedroom Tax' and has to find an extra £20 per week and cannot now afford to pay even token payments of £1 per month. The CAB has written to creditors to advise them that she cannot offer any more.**

- ▶ **An East of Scotland CAB reports of a client who has been affected by the 'Bedroom Tax' and must pay a further £7 a week which he cannot afford. His income is just £45.90 per week. He has fallen behind with his council tax payments and is having his current payments and arrears deducted from his benefits directly. He went to the council to request a one bedroom property but was told it would probably never happen as they are so much in demand.**

## Case analysis: Zero hour contracts

Zero-hours contracts are contracts without any allocated hours meaning that employers can legally change the numbers of hours an employee works on a weekly basis. Staff can have their hours cut without any notice. The total number of people in zero-hours contracts has risen 25% during the course of 2012, with 200,000 people on zero-hours contracts in the final quarter of last financial year. Originally used by the retail and hospitality sector to manage seasonal peaks and falls in demand, they are now being used across the board in both high as well as low skilled jobs; with the number of educational institutions using zero hour contracts increasing tenfold between 2004 and 2011.

- ▶ **An East of Scotland CAB reports of a client who is a security worker with a zero hour contract. He and several other workers are perturbed that their wages are not paid on the due date (8th of the month), and that they are paid into the bank by cheque which then takes several days to clear. Also, there are always deductions for unspecified reasons so that the actual wages are at least £30 less than the payment for the hours worked. They do not receive itemised payslips and if they do ask for them they are many weeks behind. At the beginning of this week the client queried why his money was not in the bank, and was taken off the job he was on and put on standby. The client is finding the uncertainty of working for such a dishonest firm very distressing. He is saving up to do courses that would allow him to go offshore. Another area of concern is contracts that do not state the minimum number of hours staff are able to work. This can lead to exploitation as employers can set hours to suit themselves and change them with minimum notice, meaning that staff do not have a regular income and are unable to pay for basics such as rent and food due to the inconsistency in their income.**

# Case analysis

- ▶ A West of Scotland CAB reports of a client who is a 21 year-old man who works for a cleaning service. He is contacted by text when work shifts are available and he is paid monthly, according to the number of shifts he works. The number of shifts varies from week to week; sometimes he is given no shifts. On 8th April he was due to be paid, but nothing was paid into his account. He texted his employer and received a text in response. The text stated that he had not been paid because he missed a shift for no reason, and said his wages would be paid on 8th May. On 8th April, client received a letter expressing disappointment that he had left their employment without giving notice and that he had not been in contact with them. He was invited to attend a meeting to discuss this. The client also indicated that his rate of pay was £6.10 per hour which is less than National Minimum Wage. The client's contract and the information he had given suggested his status was that of a worker rather than an employee and therefore he could not submit a claim for unfair dismissal. Apart from his status, he had not been employed for the qualifying period. Law at Work were phoned and they advised that the company could delay paying his wages for a month but if they failed to pay him at all, he could raise a claim. If the late payment meant that he incurred extra costs, he could try to claim this.

Another area of concern is contracts that do not state the minimum number of hours staff are able to work, or sudden changes to the employment contract without the consent of the employee. This means that staff do not have a regular income and are unable to pay for basics such as rent and food.

- ▶ An East of Scotland CAB reports of a client who has worked part-time for a Solicitors company for 13 months. She has a contract but it does not specify number of hours. She started working 22 hours per week, but this was reduced to 16 hours per week, and now the organisation are wanting to reduce the hours to 10 or 11 hours per week. The client is a lone parent with one child and is in receipt of Housing Benefit, Child Tax Credit and Working Tax Credit. She wants to know what she can do and was advised to negotiate 16 hours per week to maintain her present income. Should this not be possible and her hours are reduced to 10 or 11 hours, she will have to sign on for Job Seekers Allowance. Once she signs on she has to be available for work and will therefore lose the flexibility to work as and when.

# Case analysis: Benefits Appeals

Since the Government's cuts to the benefits system there have been an increasing number of benefits appeals against Employment and Support Allowance, Disability Living Allowance and Job Seekers Allowance benefits claims decisions. Many claimants of ESA and DLA have become trapped in a constant cycle of medical assessments, as the Government pushes to get people with long term illnesses and disabilities back into work. Job Seekers Allowance sanctions are another major reason for appeal as people are sanctioned for reasons ranging from missing an appointment with the Job Centre to not filling their 'searching for work' books in enough detail or not deemed to be actively searching for work by the job centre.

Appealing a benefit decision is not an easy process and those appealing face a number of problems such as poor administration, long waiting lists for tribunals, and high call costs.

- ▶ **An East of Scotland reports of a client with a decision notice dated 21/3/13 from Tribunal allowing his appeal against refusal of DLA and awarding lowest rate care and lower rate mobility for the period 8/4/12 to 17/4/14. He has been unable to obtain any information as to when this decision will be implemented and when he can expect to be paid and asked the CAB to query this. The client has pointed out that the DWP Helpline claim that the time normally taken by them to implement a Tribunal decision (in this case a successful appeal against refusal of DLA) is around 6 weeks. The delay did not appear to rest with the Tribunal, who made their decision known to both parties in writing on the day of the hearing itself. The CAB phoned the DLA helpline and was told that they had not yet received confirmation of the decision from the Tribunal - although the client received this information four weeks ago – and said that they could do nothing until they had received this. They said that it generally took at least 6 weeks to implement Tribunal decisions and that they were unable to account for this delay.**
- ▶ **A North of Scotland reports of a client who had not yet received a backdated ESA payment or any change to his payments since his Tribunal on January 10th. The client asked if the CAB could call Job Centre Plus to query this as he knew it could take a few weeks to process but that it had been more than 3 months since his Tribunal. The client is still sending in medical certificates as Job Centre Plus have been sending him letters stating that if he doesn't his payments will stop. His appeal was won and the client was placed in the support group. The CAB called Job Centre Plus and spoke to an advisor who said the Processing Centre received notification of the appeal but had**

# Case analysis

not done anything with it. The advisor agreed to email the processing centre and ask them to chase the client's payments. He has requested that they call the client direct no later than tomorrow to advise him of when his payments will be made.

- ▶ A North of Scotland CAB reports of a client with multiple health problems who was assessed under the Work Capability Assessment and found fit for work. CAB advisers have continued to support him since then with his ESA appeal. He went to Job Centre Plus when his ESA had not been paid into his post office account when it was due, as he had no money and no food. He had been promised it would be in on 11th April 2013 and came to CAB on 12th April because it was still not in his account and he had no money for his mobile phone as it cost a lot to wait to be put through to the appropriate department. He therefore wanted CAB to phone on his behalf. The adviser comments: the cost of telephoning the DWP for clients who do not receive their benefits when they should is quite unreasonable considering their lack of funds.

## Case analysis: Energy Administration

Energy issues were the second most common area of advice need for consumer issues across the whole citizens Advice Service in Scotland during the third and fourth quarters of 2012/13. Many of these cases were regarding billing errors whereby clients sought information on current and previous bills. A number of issues were regarding customer service failures where clients had been put on hold for long periods of time or could not get through to their suppliers. In some cases, once through to a representative, clients found their complaints had not been registered, leading to on-going disputes.

# Case analysis

- ▶ A West of Scotland CAB reports of a client who had received a large electricity bill which he was unable to pay. The bureau had previously assisted in getting him on to a payment plan but the size of the bill had caused the power company to take him off that plan. The CAB then arranged for the client to be put onto fuel direct to pay his arrears direct from his benefit at a rate of £25 per month. The client returned to the bureau several times as the supplier kept changing the arrangement, sending him a demand notice to pay £69 per month, not through fuel direct. The client is on Jobseekers Allowance and cannot afford to pay this amount. At 22% of his income, the arrears repayments alone would put the client in fuel poverty, even before he started to pay for his usage.
- ▶ A client in the West of Scotland contacted the Citizens Advice Consumer Service on behalf of her father. For the last four months, he has been receiving letters from a gas company threatening court action. The letters were addressed to “the Occupier” rather than to the client’s father but the client looked on the meter and has confirmed that the meter does not match the meter number quoted in the letters from the supplier. The helpline adviser referred the client on to the energy company in question and asked the client to call back if there was no resolution.
- ▶ A North of Scotland CAB reports of a client who moved into his home in October 2011 and decided to switch energy suppliers in December 2012 from British Gas to First Utility. However the Meter Number is not registered to his post code. It now transpires that Scottish Power was the supplier and not British Gas. British Gas agreed to refund him all his payments and he will now be sent a bill from Scottish Power. The client wanted to know if he would be liable to pay any difference between Scottish Power and British Gas’s prices

## Food Poverty

There has been a huge increase in food poverty in the UK with a 150% rise in the number of people accessing food banks in Scotland. There were three new food banks opening every week to meet demand during the year 2012-13.

CAS has seen a large number of cases which indicate the main reasons why people fall into food poverty. These include the impact of benefit changes, sanctions and having a gap in income during the appeals process for benefits such as ESA and DLA. The cases have also highlighted the types of local support that is available, including any difficulties clients have in accessing that support or the unsuitability of certain types of support; for example, the provision of uncooked food when a person does not have either have cooking appliances or the energy provision to use them. The cases have also highlighted the plight of those that have used all the support available to them and cannot get out of food poverty.

- ▶ **A West of Scotland CAB reports of a client who has 2 children and nothing to feed them. She has also told the CAB that she is currently living in emergency housing due to domestic abuse. The client will be receiving emergency payment on 5th April but has nothing to tide her over until then. The CAB contacted St Vincent De Paul to supply food vouchers as the client met their criteria of only supplying to families not individuals. The client received food vouchers for a local supermarket courtesy of St Vincent De Paul.**
- ▶ **An East of Scotland CAB reports of a client who has not received his Job Seekers Allowance payments and has been going to the Salvation Army for meals. He has been given 6 burgers and 6 sausages to eat at home and he has no credit on his phone, he has no gas or electricity and uses a candle at night for some light. His neighbour has given him a bag with bread, milk and eggs as she found out he is struggling, but she herself does not have a lot of money. The CAB called the job Centre Plus to discuss a short term advance payment, at which point the Job Centre Plus adviser asked how the CAB knew about this payment stating in a high pitched voice that no one should know that this payment exists, and that only Job Centre Plus Staff were allowed to make decision as to whether a client could receive the payment. Once the advisor had calmed down he informed the CAB that the payment had been made that day.**

# Emerging trends

- ▶ **An East of Scotland CAB reports of a client who has emailed to ask if there is a food bank nearby. He says he has no money for food, little credit on his electricity pre payment meter and no phone credit. The client suffers from depression and has been ill for some time now, living on his savings which have now run out. The client has been to the Job centre to apply for benefits but was warned that the process takes time. He had not realised he was practically penniless and he has no money at all. The CAB phoned to tell him about CATH meals and Salvation Army meals and arranged £20 to be added to his electricity meter which is to be repaid £3 weekly.**

# Emerging trends

## Discretionary Housing Payments

Research shows that more than 25,000 people have claimed Discretionary Housing Payments last month compared to 5,700 in April last year to help subsidise the cuts to Housing Benefit . However, despite this rise in claims, there is concern that Councils' funds for Discretionary Housing Payments will not be able to meet the high demand. There is also concern that many people who are eligible to claim DHP do not know it is available to them. CAS would like to hear about any cases in which clients are unable to access Discretionary Housing Payments, or when applications have been refused, despite the client's eligibility.

- ▶ **A West of Scotland CAB reports of a client living alone in a three bedroom council house. She is paid JSA of £120 fortnightly and after paying bedroom tax of £34 per fortnight and her gas and electricity charges she is left with £10. She also needs to pay bus fares to the Job centre. The client has not eaten in 5 days and is too emotionally unstable to move as her son passed away and she fears she will not be able to see the grandchildren if she moves to another area. The client is upset and distressed about the changes in benefits and desperate for some help. The CAB suggests she goes to the doctor to get support for her stress; however the client cannot afford to pay to go into town where her GP is situated. The NAC were unwilling to negotiate reducing her rent and her only way of improving her income was to search for work which she is doing. The client was given a form for Discretionary Housing Payment as this was her only option.**

# Emerging trends

- ▶ An East of Scotland CAB reports of a client who wanted some help with a housing problem which has arisen recently. The client is married with 5 children, 3 of whom have been diagnosed as suffering from Aspersers'/ADHD. He is in local authority housing. A house which is more suitable has been offered to him 3 doors away. He would like to move but he has been told he must pay £423 when he signs the missives at the beginning of May. Client would find this difficult and discussed this with his Housing Officer who changed the amount to £300 which would still be difficult to pay, since the family's income is derived from benefits. Apart from trying to negotiate a payment plan with his Housing Officer (which was unsuccessful) he has been in touch with Shelter who advised a Discretionary Housing Payment for which the client has applied. He has been in touch with the Council and they advise it will be a fortnight before a decision due to the high volume of applications. The client wanted to know if we could suggest any other means of getting the money, as he has lost faith in his Housing Officer. The client was adamant that no matter what he would not resort to payday loans or other money lenders.
- ▶ An East of Scotland CAB reports that Edinburgh City Council are requesting letters of support from GPs in order for claimants to apply on medical grounds, but it appears that GPs are resistant to the idea of providing such letters. One client said that he had asked a GP for a letter confirming his medical condition, and been told to come to CAB for us to write to the GP with this request. The client has spondylitis which is badly affected by the cold; he is on Job Seekers Allowance and gets housing benefit for a 2 bedroom council tenancy. He is seeking to transfer to a one bedroom council tenancy, and has been in contact with the council. The Council explained to him that client needs a letter of support from his GP in order to seek Discretionary Housing Payments on medical grounds.

# Star Case

Every month, the CAS team picks one star case to highlight and explain just what sets that case apart.

- ▶ **A West of Scotland CAB reports of an appeal lodged against a Fit for Work Decision for a client who suffers from anxiety and depression. The client has been advised to send her medical certificate to the Department of Work and Pensions while her appeal is being decided, as she will not receive any benefit until this has been processed. The client has been called back to say she has received acknowledgment of her appeal and wants to know when she will be paid. The CAB contacted the DWP and was advised that the appeal was with the Decision Maker and it could be a further week before any payment was made. Spoke to client and agreed to contact Scottish Welfare Fund to make application for a Crisis Grant. On phoning Glasgow City Council Scottish Welfare Fund the CAB was advised that the client would have to make a claim for hardship payments. The adviser then contacted the DWP who advised that, while a decision is with the Decision Maker, she cannot receive hardship payments, and must make a crisis grant application. The adviser contacted the Scottish Welfare Fund again and spoke to a Line Manager who advised that as the client is appealing a decision she will have to make a new claim for benefit as she has no claim pending. It was explained to the Line Manager that as the client was appealing a Fit for Work decision she does not in fact need to make a new claim. Eventually Line Manager agreed to go ahead with crisis grant claim for client. Adviser's comments: I am concerned about the lack of knowledge and inappropriate advice being given to clients who contact Scottish Welfare Fund at Glasgow City Council.**

## **This is a star case because**

This case demonstrates a clear example of the Council's administration procedures failing when the client contacts the Scottish Welfare Fund for a crisis grant. It is an example of a client who has been referred from the DWP to the SWF and back again, and the CAB had to inform Glasgow Council of the proper procedure for benefit appeals before the client was able to receive any help.

# Star Case

## Why is that an issue?

Bad administration of the Scottish Welfare Fund is a social policy issue because the fund is very new and it is important to identify problems as they arise so that CAS can make local authorities, COSLA and the Scottish Government aware of where the system is not working. We have seen an increasing number of cases in which clients are passed between the Job Centre and the Scottish Welfare Fund, both of whom insist the client is the responsibility of the other.

## Publications

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:

### Offline and left behind

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”. The strategy includes an expectation that 80% of benefits applications will be completed online by 2017. This new strategy comes at the same time as the Government’s changes to the welfare system which, coupled with at least £18 billion of cuts to the UK welfare budget, will cause significant upheaval for citizens currently in receipt of benefits.

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. We published a brief report on the impact of this approach in February 2013 as part of our Voices from the Frontline series, focusing on case evidence from across Scotland. We have now undertaken research with CAB clients across Scotland in order to gather quantitative evidence about their internet access and capabilities. This research has been published in an evidence report: *Offline and left behind*.

## 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*, published in April, shows that the extent of this struggle has been unanticipated and often shocking

## What we have been working on

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

### Digital access

Following our publication of *Offline and left behind*, we will be producing a series of local briefings for bureaux to use in local campaign work and negotiations with councils and Job Centre Plus offices. Taking data from our national survey, these briefings will highlight the particular barriers to digital access CAB clients experience in specific areas. We are also currently meeting with politicians and civil servants to discuss how we can further this work.

### Access to Justice

The recent focus of our access to justice policy work has been responding to Scottish Government consultations on court closures and court reform.

# What we have been working on

## HMRC consultation on customers who need additional help

In 2012/13 clients brought nearly 26,000 issues relating to tax credits to citizens advice bureaux (CAB) in Scotland. Over a quarter (27%) of these were repeat issues, where the client returns with further issues concerning the same tax credit. Many citizens advice bureau clients across Scotland have difficulties resolving issues with tax credits. In April, CAS responded to a consultation on how to support HMRC customers who need additional help, also addressing some of the issues with the administration of tax credits which cause significant problems for bureaux and their clients.

## Food poverty

Due to the increase in demand for food parcels bureaux have seen over the past year, CAS is researching this issue from a social policy perspective. The poorest 10% of households spend almost  $\frac{1}{4}$  of their income (23.8%) on food compared with 4.2% for the richest 10%. CAS recently responded to a consultation on the establishment of a New Food Body for Scotland, which included questions on food poverty.

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