



**POLICY AND RESOURCES SCRUTINY COMMITTEE –
21ST APRIL 2009**

**SUBJECT: STATISTICAL PROFILE OF THE WORK OF CAERPHILLY COUNTY
CITIZEN ADVICE BUREAU**

REPORT BY: CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To inform Members of the work of the Caerphilly County Citizens Advice Bureau following the approval of Cabinet for a new three year Service Level Agreement with the Bureau and an increase in core funding (October 2007).

2. SUMMARY

- 2.1 The figures presented in this report are for client contacts with the Caerphilly County Citizens Advice Bureau (CAB) from April to December 2008. There has been an 19% increase of clients contacting the CAB for the same period last year. The CAB client enquiries cover a wide range of issues relating to debt covering benefits, housing, employment, relationship and employment issues. The CAB also provides opportunities for volunteers which can help in getting people back into paid work.

3. LINKS TO STRATEGY

- 3.1 The CAB supports each of the four themes of the Community Strategy and in particular addresses tackling poverty and social exclusion facing local people - a situation compounded through high levels of poor health, disability and low levels of literacy and qualifications in the borough.

4. THE REPORT

- 4.1 The figures presented in this report are for client contacts with the CAB from April to December 08 and are depicted through graphs in appendix 1. Anti-poverty work is central to the work of the CAB Service through:
- welfare benefits advice, which encourages take-up of the full range of means tested and non-means tested benefits and assists clients to challenge the decisions on eligibility. The biggest single area of welfare benefit work is around Disability Living Allowance (a non-means tested benefit for people with long-term illness or disability under 65), more than three times the number of issues than any other benefit. Over recent years DLA has become harder to claim successfully and harder to remain in receipt of; many clients who have been claiming for years have had the benefit withdrawn even though there has been no change in their condition. Assisting them to regain the benefit can be time consuming involving, as it does, the completion of additional forms, obtaining medical evidence from GPs and specialists and the preparation of submissions for Appeal Tribunals. Almost all tribunals are now held in either Cardiff or Newport, making attendance difficult for clients

with disabilities and severely limiting the number that CAB can attend to represent. A successful DLA claim can be worth up to £5,900 each year and also entitle the claimant to higher levels of other benefits (see graph 3 for range of benefits issues being tackled)

- debt advice, which helps individuals to regain control of the financial circumstances and make informed decisions about their financial future. By concentrating on managing priority debts, homes, livelihoods and relationships are preserved and descent into (deeper) poverty prevented. Many of the current problems that we see around mortgage arrears have been caused by the rapid growth in the value of homes, many people were persuaded to turn the 'paper' value of their houses into cash by taking out secured loans even though their income level made repayments difficult. The biggest area of debt, though, is in unsecured credit card, store card and catalogue loans where interest rates have been and remain high. Much of the work of the CAB is about dealing with relationship issues such as advice on getting divorced or separated (see graph 6)

- 4.2 In the first three quarters of 2008/09 the CAB had 22,261 client contacts (see graph 1). An increase of 19% over the same period in 2007/08. The sharp increase is in part due to the introduction of 'Gateway Assessment', a focused interview designed to move the client on to their next best step as quickly and efficiently as possible.
- 4.3 The spread of enquiries across different advice categories was broadly the same as the previous year, but there were significant changes within the categories, which appear to be clearly related to the current economic circumstances (see graph 2). For instance, with debt enquiries, there has been a rise in the number of issues around both secured and unsecured debt, as outlined above. We also know from clients and from consultation with the council and other social housing providers, that people who have never fallen into arrears in the past are beginning to struggle to pay their rent. Some other effects of the current recession are outlined below.
- 4.4 Enquiries about redundancy were up by 140% (see graph 5). There is a 44% increase in the number of clients reporting being in arrears with their mortgage or rent and enquiries about bankruptcy rose by 55% (see graph 4).
- 4.5 The spread of clients from across the five Community Plan areas is broadly in line with the spread of population, but it is hoped that the effect of opening new outreach venues under the Rural Development Plan funded Rural Outreach project will help the CAB in targeting some of the more deprived communities furthest from the main towns in the county.
- 4.6 The CAB have been successful in bidding for additional, short-term, funding from central government to increase opening hours over the course of the next year.

From the 6th of April 2009, the government is introducing a new way for people in debt to make a new start. Debt Relief Orders have been described as a 'mini-bankruptcy', the orders are available to non-home owners with debts of under £15,000 and limited assets and disposable income. The cost is £100, as opposed to bankruptcy which, with legal charges, can cost up to £500. The order will last for 12 months and, at the end of that time, the debt owed will be discharged leaving the debtor debt free. Two CAB debt advisers have already been registered as approved intermediaries and will be able to assist clients to apply for DROs. It is likely that CAB will be the only approved intermediaries in the borough.

- 4.7 The CAB continues to be effective in their social policy work with evidence gathered in Caerphilly being cited in many Citizens Advice publications throughout the year. The CAB Operations Manager with responsibility for debt advice was recently one of a small number of debt specialists invited to Number 10 to meet with Gordon Brown. The same manager was also acknowledged for her contribution to the most recent addition of the Debt Advice Handbook, the debt adviser's bible.
- 4.8 Working in the CAB service is an attractive prospect to many people seeking volunteer work

either to enhance their skills and employability or to make a rewarding contribution to their community. The CAB have recently taken on volunteers who have retired from running their own businesses, from nursing and from senior posts in industry, all of them are now working between six and twelve hours per week, bringing years of experience and skills to help individuals in the community resolve their problems. One outcome of the recession is that many people are turning to volunteering to retain their current skills and to learn new ones and for some to move back into paid employment.

5. FINANCIAL IMPLICATIONS

5.1 Caerphilly CAB receives £183,348 a year from the Council

6. PERSONNEL IMPLICATIONS

6.1 None

7. CONSULTATIONS

7.1 The comments of all consultees have been reflected in the report

8. RECOMMENDATIONS

8.1 To note the content of the report

9. REASONS FOR THE RECOMMENDATIONS

9.1 The report is for information only

10. STATUTORY POWER

10.1 Local Government Act 2000

Author: Jackie Dix, Acting Policy & Research Manager (dixji@caerphilly.gov.uk)
& Simon Ellington, Director, Caerphilly county Citizens Advice Bureau

Consultees: Colin Jones, Head of Performance & Policy

Appendices:

Appendix 1 Caerphilly County Citizen Advice Bureau Statistical Profile April to December 2008.