



*Local Government Association*

# MANAGING MONEY, HELPING PEOPLE WITH DEBT





---

page 4

## Foreword

Debt is not just a question of income and expenditure. Some of the poorest or most vulnerable people in society do not have access to basic financial services, and many lack the skills to manage their money well. This can make a bad financial situation both seem, and be, a lot worse.

---

page 6

## The building blocks

These short stories from various Citizens Advice Bureaux give a human face to the different services that are talked about in this publication. Together these are the building blocks for both preventative and reactive programmes.

---

page 8

## Managing money

Councils and local advice agencies, such as Citizens Advice Bureaux are the right agencies, operating at the right level, to offer assistance to people who are finding it hard to manage their money.

---

page 16

## Helping people with debt

Despite even the best preventative action, problem debt will still occur. This is particularly the case in the new claimant groups, who may have seen their circumstances change, for example due to the recession.

---

page 18

## Helping people with debt: case studies

1. A corporate approach to debt recovery is working for Leeds
2. New partnerships with Citizens Advice Bureaux are being forged by Kent County Council
3. Birmingham City Council are helping tackle illegal loan sharks across the country
4. Close partnership working between the council and the CAB is taken to a natural conclusion in Broxtowe, Nottinghamshire
5. Debt and employment are closely linked, as is the case in Liverpool



page 10

## Managing money: case studies

1. Joint training leads to earlier intervention in South Derbyshire
2. Kirklees Early Years Service and Kirklees CAB are delivering significant income gains for local people
3. Setting up a new credit union is paying dividends in Monmouthshire
4. Councils and Citizens Advice Bureaux are improving financial skills in the South West
5. An energy efficiency drive is cutting fuel bills in Knowsley
6. Coupling rent collection with financial advice is showing results in Bolton





## Debt is not just a question of income and expenditure.

Some of the poorest or most vulnerable people in society do not have access to basic financial services, and many lack the skills to manage their money well. This can make a bad financial situation both seem, and be, a lot worse.

Without a bank account you might need to pay a fee to cash a cheque, or you could miss out on better deals available only by using direct debit. Without a credit rating you can't get affordable loans and so might pay higher rates of interest – or worse, fall prey to loan sharks or other illegal money lenders. These costs are falling on those who can least afford them, but are avoidable.

Both local councils and advice services, including Citizens Advice Bureaux (CAB), welfare rights teams and law centres, come into daily contact with the people who are most at risk, so they share a responsibility to tackle and change the structures and practices that reinforce financial exclusion.

Between April 2008 and March 2009, the Citizens Advice service alone dealt with over 1.9 million debt enquiries. This figure is continuing to rise in response to the recession, with 80% of councils already reporting increased demand for debt and welfare advice services. In a recent survey of 136 councils, 32% said that focusing on the provision of these services, including working with and offering increased funding to advice services such as in-house welfare rights teams and Citizens Advice Bureaux, was one of their top two priorities in responding to the recession.

Helping people to manage their money better is not just an issue for the here and now. The costs of financial exclusion are intimately linked with prolonged and entrenched worklessness, and other patterns of ill health, illiteracy and

social deprivation that are found in our poorest communities. Financial capability training can help break this cycle, giving people the tools to manage their money and the knowledge to make sure they are receiving a fair deal. Citizens Advice Bureaux and other advice agencies need financial support from local authorities to deliver this training in a planned and sustained way.

Decreased defaults on rent and council tax payments from residents, and reduced demands on other council services such as housing and social services, are just two financial benefits that local authorities could receive as a result. Such programmes can also help meet Local Area Agreement priorities. For example, greater financial independence can



help break the cycle of domestic violence (National Indicator 32) and welfare benefits advice can make employment a more financially attractive proposition (National Indicator 151).

The local authority role in driving this agenda is vital. Councils must provide the long-term vision and political leadership needed to bring all agencies and partners together. This might also include considering the impact of their own debt policies from collecting parking fines to administering council tax or rent arrears. In doing this councils have the chance to build a local safety net that links all services together and helps people tackle their money worries and bring their finances under control.

Innovative local partnerships between authorities and the Third Sector are a key part of ensuring many more people are given the information and support necessary to stop them falling into a vicious cycle of debt and despair and to empower them to make the right choices for their circumstances.

This document highlights some of the best work that councils are undertaking with Citizens Advice and other welfare rights agencies and partners to deliver these solutions. These case studies are only a flavour of what is happening across the country. In bringing them together like this we hope that we can spark interest and raise the profile of this increasingly important issue.



*David Harker*

**David Harker**  
Chief Executive  
Citizens Advice



*B. Mahendran*

**Bala Mahendran**  
Chief Executive,  
Basildon DC, and  
Local Government  
representative, HMT  
Financial Inclusion  
Taskforce

“ All of these costs are avoidable, and fall on those who can least afford them. ”



The case studies in this publication show how councils and advice agencies such as Citizens Advice Bureaux are working together to provide services that help people to manage their money better, tackle problem debt and the associated issues these raise.

When we talk about debt advice, access to affordable credit or mainstream financial services – or more generally about issues of “financial inclusion” – it is easy to forget exactly how these relate to the grinding day to day reality of those in our communities struggling on a low income, perhaps looking for work and with constant money worries.

These short examples from various Citizens Advice Bureaux give a human face to the different services that are talked about in this publication. Together these are the building blocks for both preventative and reactive programmes.

## Debt advice

David\* approached his local CAB after his existing debt repayment arrangement on a loan and a credit card expired. He had been making small token payments towards the debt of nearly £4,500, but the bank then demanded that this be substantially increased to £80 per month. David was unable to work following an industrial injury some years ago. He couldn't afford this level of repayment, and offered the maximum he felt he could of £33 per month. The bank refused this offer and stated that they were going to take court proceedings to secure the debts on the client's property and then apply for an order for sale on the house to repay the debt.

The threat of losing his home was greatly distressing to David; he had previously attempted suicide and was worried he may try to harm himself again. The CAB adviser discussed his options with him and assisted the client when the matter was presented at the County Court and subsequent appeal. The Judge found in David's favour, and as long as he keeps up the new agreed payments he will be able to stay in his home.

“ it is easy to forget exactly how these relate to the grinding day to day reality. ”

## Access to mainstream financial services

James\*, aged 35, lost his job just before Christmas. He had been staying with friends and moving from place to place. He tried to claim the appropriate benefits but could not receive them as he did not have a bank account. Due to his lack of fixed address he was unable to open an account and had gone to his local CAB for help. He is stuck in a difficult cycle, unable to save for a deposit to rent a flat or receive any benefits as he has no access to money because of his lack of address.

## Financial capability

Jennifer\* is a single parent with two dependent children. She was receiving various benefits and paying a total of £70 per week to five different doorstep lenders. She never missed a payment to these lenders, but did miss payments on her rent and council tax and was in serious arrears on her utilities. Jennifer attended a financial capability training course run by a CAB. Afterwards she said "I would never use a doorstep lender again, I had no idea credit unions existed. The best thing for me was realising I could do something about my situation."

## Illegal money lending

Ramona\* was in arrears of £400 and had been visited by bailiffs. She approached a loan shark who lent her £300, on condition that she pay back nearly £600 over 20 weeks. The bailiffs re-visited Ramona and asked for more money to cover their costs. Her mother pawned her jewellery to help her daughter meet the costs of the bailiffs and the loan shark loan. Ramona is very distressed and living in fear of the loan shark. She doesn't have enough money for the basic needs of herself and her son.

## Access to affordable credit

Debbie\* was struggling to meet her repayments on loans she had taken out, and as a result of her poor credit rating found it hard to access mainstream credit. She applied for loans from a company which advances money before the client receives their salary, paying on average £130 back for every £100 she borrows. Debbie is now suffering from depression and finds she needs these loans every month to get by and is struggling to cope.

## Welfare and benefit advice

A housing association tenant, Moira\*, was at risk of being evicted after being served with a notice of possession for rent arrears of around £380. She has health issues and had been struggling with her rent and to pay bills. Despite mobility problems she had sold her bed and was sleeping on a mattress on the floor, trying to keep up her rent payments.

Finally her granddaughter persuaded her to contact Age Concern, who referred her to her local bureau. The CAB adviser identified that in addition to her pension, the client was eligible for Pension Credit, Housing Benefit, Council Tax Benefit and Attendance Allowance.

This has saved her from losing her home, and made a huge difference by more than doubling the client's weekly income.

\* Names have been changed



People do not just suffer with problem debt in a recession, although job losses and reductions to pay and contracted hours mean more people will find it harder to make ends meet, and those who were already struggling will be deeper in trouble.

Problem debt can also occur when times are good and people borrow. But later, due to a change in circumstances, they find themselves unable to meet their financial commitments.

Councils and local advice and welfare rights agencies, such as Citizens Advice Bureaux, are the right agencies, operating at the right level, to offer assistance to people who are finding it hard to manage their money. They can deliver financial learning programmes that give people the skills to budget or the knowledge to access the welfare payments they are entitled to.

Councils can also take steps to reduce the fixed living costs of families and individuals or increase their income, for example by investing in programmes to improve the energy efficiency of housing stock or increase benefit take-up. It is these fixed costs which all too often can tip people over the edge into problem debt. Citizens Advice figures show that just under half of debt clients are also in fuel poverty; defined as spending 10% or more of household income on domestic fuel use.

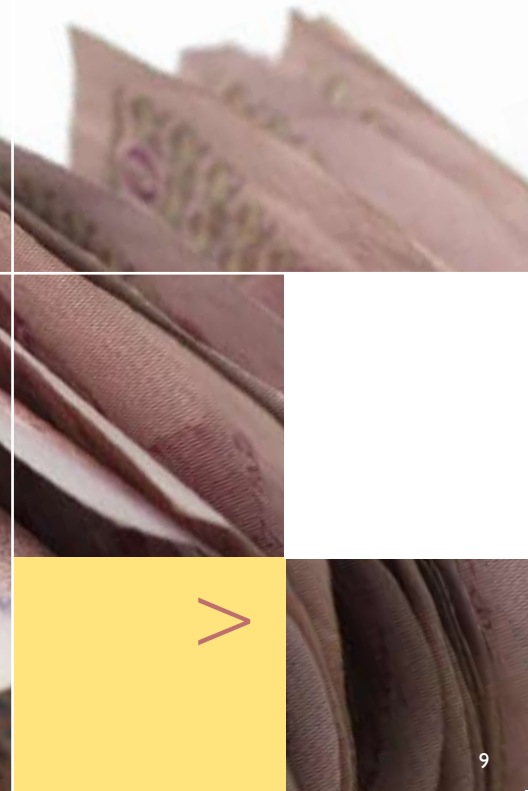
Financial education and energy saving advice programmes benefit residents, the local authority and local council tax payers. Those residents who struggle to manage their money are more likely to make complex and costly demands on housing or social services. Early intervention and investment to give people financial skills can lead to substantial savings for councils. Supporting and providing information about credit union facilities can help residents avoid high-interest loans. A credit union current account brings people into a safe and stable financial environment where their skills and confidence can grow. There is an all round benefit to the client and community.

The best initiatives cut across services. They make sure that wherever a local authority has contact with its residents it is able to detect financial concerns and signpost to the right services, such as those that might be provided by the CAB.

Training frontline workers is key to achieving this joined up approach, as is developing strategic relationships so that public services are talking to each other and sharing the right information.

The following case studies set out examples of just such preventative measures that councils and partners such as Citizens Advice Bureaux can take to give people the training, support and access to services they need to take control of their finances.

“ Councils can also take steps to reduce the fixed living costs of families and individuals. ”



## Joint training leads to earlier intervention in **South Derbyshire**

South Derbyshire CAB delivered financial capability training sessions to staff based in the housing department of South Derbyshire District Council.

Council staff were used to dealing with tenants in rent arrears, but found it challenging to distinguish who was unable to pay from who was simply refusing to pay.

The CAB delivered sessions on money advice and housing benefit, setting out to the staff how to identify if someone may need referring for debt advice, what benefits may be available for them and what questions they need to ask.

This took the form of quizzes, case scenarios and exercises. The CAB have reported that since delivering the training, the council has started referring clients who are getting into arrears at a much earlier point to the bureau. Previously it had been customary for the CAB to receive details only days before an eviction. This has been beneficial for the council, CAB and tenants.

For more information:  
[kevin.mceon@south-derbys.gov.uk](mailto:kevin.mceon@south-derbys.gov.uk)



“ Council staff were used to dealing with tenants in rent arrears, but found it challenging to distinguish who was unable to pay from who was simply refusing to pay.

”

## Kirklees Early Years Service and Kirklees CAB delivering significant income gains for local people

Until 2007-08, SureStart and Neighbourhood Renewal funding were used to deliver outreach advice and financial capability training to parents with children aged under five. Kirklees Early Years Service (KEYS) then sought to extend the project to cover the whole of the Kirklees area and funded Kirklees CAB over three years to achieve this.

An independent evaluation showed that there have been significant income gains and debt managed for clients (£700,000 in 2008-09). Excellent feedback has been received from the Children's Centre workers about the training that parents and staff have received. The evaluation also found that the project meant that staff from Children's Centres are better able to recognise and handle the concerns of clients, and make more useful referrals to the bureau.

Kirklees Citizens Advice meets with KEYS each quarter for contract monitoring and to determine where services should be delivered next to target those in the greatest need. By mapping the postcodes of clients who have attended sessions against the indices of multiple deprivation, it has been possible to demonstrate that 83% of clients for this partnership come from the most deprived wards in the area.

For more information:  
[ian.bond@kirklees.gov.uk](mailto:ian.bond@kirklees.gov.uk)



“ Kirklees Early Years Service then sought to extend the project to cover the whole of the Kirklees area.

”

## Setting up a new credit union is paying dividends in **Monmouthshire**

Monmouthshire was the last area in Wales to have a credit union service, achieving a Welsh Assembly Government aspiration to have coverage across the country.

In 2008 the Gateway Credit Union expanded to cover Monmouthshire as well as Torfaen. With the practical and financial support of Monmouthshire County Council and the recently created Monmouthshire Housing Association, the credit union has been able to offer savings and loans services, initially in Abergavenny, and has plans in place to open in the area's other towns.

Monmouthshire is a large rural area and Gateway is having to adapt its service, welcoming postal applications and offering PayPoint cards and web-based services.

Council one-stop-shop staff have been enthusiastic about the scheme. They are telling customers about it, and employees of both Monmouthshire and Torfaen councils can save and borrow using payroll deduction.

Community run credit union collections which accept cash and cheques are still the way in which most credit union members prefer to save. The first credit union opened in the north Abergavenny Communities First regeneration area. The collection point sees new members every week.

For some, this is their first experience of saving and of being able to access credit at reasonable interest rates. The collection is run by volunteers who are well known and respected locally, and membership is growing rapidly. A second collection run by parents has opened at the SureStart centre at Deri View Primary School, together with a childrens' savings club run by schoolchildren.

The school and SureStart team see this as a way to help families manage their finances and encourage children to understand money.

For more information:  
[simon.davies@monmouthshire.gov.uk](mailto:simon.davies@monmouthshire.gov.uk)



“The collection point sees new members every week.”

## Councils and Citizens Advice Bureaux are improving financial skills in the **South West**

The Devon and Cornwall Financial Capability Forum is part of a network of 14 regional forums which meet across the UK. These bring together organisations with an interest in improving the financial capability of their local communities, such as Citizens Advice Bureaux, housing associations, local authorities and primary care trusts. Meetings provide an opportunity for networking, developing partnership working and mapping the activities of members, as well as acting as a focus for national funding from campaigns such as Save Xmas, Energy Best Deal and Now Let's Talk Money.

Representatives from Caradon District Council, now Cornwall Unitary Authority, have chaired meetings of the Devon and Cornwall Financial Capability Forum. The council's participation in the forum has meant that they have built stronger relationships with local third sector organisations who work to improve financial capability and address financial exclusion.

One outcome from the forum is that Cornwall council has funded Liskeard CAB, who co-ordinate the meetings, to deliver frontline financial capability training to its housing advice team and other staff. This has meant that the council staff are now more aware of the needs of clients and able to identify when someone may require assistance in managing their money. They are able to encourage the clients to get help sooner, helping prevent homelessness and alleviate debt.

Two benefit uptake campaigns have also been funded by the council. One, aimed at residents who may be entitled to Pension Credit has so far helped secure over £1.5m for local people. The other, aimed at increasing uptake of Tax Credits, has worked both with residents and employers. It highlights to people what they should be claiming and explains to employers the merits of retaining staff on short time and claiming Tax Credits, rather than making them redundant. In the first three months the project

has helped secure over £125,000 in extra income for people, meaning they are less likely to fall into financial difficulties.

---

### For more information:

Hilary Warren c/o  
[bureau.liskeardcab@cabnet.org.uk](mailto:bureau.liskeardcab@cabnet.org.uk)





## An energy efficiency drive is cutting fuel bills in **Knowsley**

Knowsley Metropolitan Borough Council is supporting residents who are experiencing financial difficulties due to the economic downturn. With local partners, the council has been running a series of local 'Get Energy Smart' events to raise awareness of the problems facing vulnerable people who struggle to heat their homes – including older people and families living on benefits.

The events are a way of providing local residents with advice on how to keep fuel bills low while still staying warm during colder weather. Information on energy efficiency grants is available along with hints and tips on saving energy and switching energy companies. Residents can also access help and support on coping

with debt and can receive personal advice on the benefits they are entitled to.

Four events were held in November 2008 and January 2009, with over 300 members of the public attending. A number of them requested further information on changing supplier, claiming benefits and managing debt alongside advice on energy efficiency.

Representatives from the local Citizens Advice Bureau and the Pensions Service were present at each event.

Cllr Graham Morgan, Knowsley's cabinet member for regeneration, economy and skills, said the economic downturn meant it was particularly important to ensure

that people are aware of the help and support their local authority could provide. "The 'Get Energy Smart' events give people the chance to talk to a number of different groups all in one place, they can find out about grants and get advice on staying warm over the winter, saving money on fuel bills and what to do if they were worried about debt."

With the support of Knowsley council's financial inclusion team, more events are being planned for autumn/winter 2009, as part of the council's financial inclusion strategy.

---

**For more information:**  
[deborah.lee@knowsley.gov.uk](mailto:deborah.lee@knowsley.gov.uk)

“ The events are a way of providing local residents with advice on how to keep fuel bills low while still staying warm during colder weather.



## Coupling rent collection with financial advice is showing results in **Bolton**

Bolton at Home, the town's arms-length management organisation (ALMO), is delivering significant reductions in rent arrears owed to the local authority. The ALMO operates an Income Management Team that gives advice to tenants in the early stages of arrears on how to pay rent, and also helps them to claim welfare benefits and discounts.

The Income Management Team is part of a range of measures that are helping Bolton keep rent accounts clear, even during the recession. The team work closely with debt counselling and financial advice services locally, including the Citizens Advice Bureau. In the financial year 2008-09, rent owed was just £1.73m, or less than four percent of the total collectable rent.

Bolton's Executive Member for Housing, Cllr Nick Peel, has said, "this is a great achievement and it's largely down to officers acting early to give advice and guidance to tenants in the early stage of rent arrears.

We've gone down the preventative route and concentrate on helping the 'can't pays' rather than the 'won't pays' which has also resulted in evictions falling."

Councillor Noel Spencer, Chair of Bolton at Home, said: "Brilliant work has gone on to get arrears levels down to what they are now. Customers have engaged with us and its been a real team effort between the partner agencies, who work together very efficiently and are improving support services all the time."

---

**For more information:**  
[sharon.mcgreavy@boltonathome.org.uk](mailto:sharon.mcgreavy@boltonathome.org.uk)



“ Brilliant work has gone on to get arrears levels down to what they are now. ”





Despite even the best preventative action, problem debt will still occur. Indeed, enquiries to Citizens Advice Bureaux about debt issues have doubled in the last decade, and further sharp increases have been seen since the impact of the current recession.

This is particularly the case in new claimant groups, who may have seen their circumstances change.

The average amount of debt owed is also rising. A recent Citizens Advice report revealed that on average, CAB debt clients owed £16,971 in 2008, two thirds higher than in 2001. It also showed that clients who had spare money to pay their debts would take on average 93 years to repay them in full. This starts to paint a picture of how problem debt is persistent, and can seem impossibly oppressive.

Around half of those seeking advice about debt are juggling four or more priority debts, such as mortgage or rent arrears, fuel bills or council tax arrears. This puts enormous pressure on individuals and families and also presents a complex challenge for local authorities, who must balance debt collection with measures to support people.

There are a range of measures which need to come together to assist people effectively with debt. Specialist advice is needed, to explore the client's financial situation and to work out how

they can meet the demands they face. It is important that people seek this advice as early as possible. Council publications and newsletters can have a role here in carrying this message.

Locating advice services in easy to reach places, with trained staff who understand the challenges facing local communities, is also key.

Local authorities have an important economic impact in their own right, and can take a systematic corporate approach to debt collection that helps people make repayments in a way that doesn't further add to their total debt. This is likely to prove most successful where partners such as housing associations and advice agencies are involved in developing the approach and piloting new systems.

Debt advice and counselling are not all that must be done though. Loan sharks operate in many communities and, with the recent fall in the availability of legal credit, may find that the number of people willing to borrow from them has grown.

Councils across the country are helping people in debt by taking strong action to tackle illegal money lending, by recovering assets and bringing successful prosecutions. But this should go hand in hand with assisting people to make use of credit unions and to manage their money effectively.

By working closely with communities and partner agencies and making the most of joined-up intelligence, councils and Citizens Advice Bureaux can help people who are struggling with problem debt. These case studies give some examples of where this is happening.

“ Enquires to Citizens Advice Bureaux about debt issues have doubled in the last decade, and further sharp increases have been seen since the impact of the current recession.”





## A corporate approach to debt recovery is working for Leeds

Leeds City Council has adopted a radical new approach to the recovery of corporate debts. The council is working with debt and money advice partners to establish a comprehensive network of support mechanisms to help residents experiencing difficulties in paying council and other debts.

The policy also helps to meet the council's corporate plan priorities, particularly in respect of the 'narrowing the gap' theme. It is part of a response to central government's agenda to provide solutions that have prevention and intervention at the heart of public service delivery to local people. It covers all debts owed to the council, including council tax, rents (housing, commercial and others), benefit overpayments, business rates, general debts such as unpaid

fees and charges, legal costs and penalty charge notices.

Work on the new policy began in 2005. The council took the unique step of inviting outside organisations to help with the development and formulation of the new corporate debt policy. Representatives from debt advice agencies (including CAB), the credit union and the council's in-house welfare rights and benefits teams were fully involved in meetings with the finance division to begin drafting the new policy.

The minimum objective of the policy is that an individual's indebtedness to the council does not worsen. Experience has shown that collection is maximised by pursuing debts on an individual basis, and in a timely manner.

All the partners involved cross-refer in order to provide a holistic service to those in need. The intention is that this will have a much more effective outcome both for individuals and for the council, and will ultimately improve collection rates for council tax and other council debts.

Despite concerns that the new approach would have a detrimental effect on collection rates, this has not proved to be the case. During the first year of operation a council tax collection rate of 96.4% was achieved. This was identical to the previous year, prior to the introduction of the new way of working.

This radical new approach is proving to be a success, and its practical implementation is being improved by ongoing dialogue between the partners.

“ The minimum objective is that an individual's indebtedness to the council does not worsen. ”

For more information:  
[david.roberts@leeds.gov.uk](mailto:david.roberts@leeds.gov.uk)

## New partnerships with Citizens Advice Bureaux are being forged by **Kent County Council**

Kent County Council has worked with partners across the public sector and voluntary and community sector to establish Gateway, an innovative front office shared service programme. This initiative brings agencies together under one name in town centre locations where members of the public can get information and access to services. The five year programme to improve access to services in Kent is putting people's needs at the heart of how public services are changing and developing.

In response to increased recent demand for employment, welfare benefits and debt advice, the county council is funding a new partnership with Citizens Advice Bureaux in Kent, which builds on existing funding from district councils.

This partnership is part of the wider 'Backing Kent People' campaign aimed at supporting residents through the recession by strengthening links between existing agencies and promoting services such as the Kent Credit

Union, Stop Loan Sharks and the Kent Benefit partnership. The bureaux also provide training and volunteering opportunities, and the additional funding from the county council will add to the number of places available.

---

For further information:  
[peter.brook@kent.gov.uk](mailto:peter.brook@kent.gov.uk)



“ This partnership is part of the wider 'Backing Kent People' campaign aimed at supporting residents through the recession. ”

## Birmingham City Council are helping tackle illegal loan sharks across the country

Birmingham City Council runs a nationally acclaimed team to tackle illegal money lending, made up of trading standards officers who investigate and prosecute loan sharks and related criminal offences.

The Birmingham team was set up as a pilot in 2004 to cover the West Midlands area, alongside a sister pilot in Glasgow. To date the team has helped more than 6,000 victims, written off over £7m of illegal debt and have already secured more than 40 years in prison sentences for offenders. Teams have now been set up to cover other areas of the country, with the service franchised to teams in London, Wales, the East Midlands, South-West and North-East England.

Loan sharks tend to operate within a small community and will start out being friendly and offering help with financial problems. They rarely provide any paperwork, and if they get their clients to sign a document the client will rarely get a copy.

They impose harsh penalties for late payments and often randomly add fees to the amount owed.

When people can't pay them the loan sharks will use intimidation, violence and other tactics to get their money, even when the victim has paid the debt off several times over due to exorbitant interest rates. The Birmingham team has come across examples of assault, kidnap, intimidation and rape. The highest APR (annual percentage rate) interest rate it has come across is 117,000 per cent!

The team now has financial inclusion officers in every region it covers to help people understand their finances and how to access legitimate services. The idea is to look at prevention as well as cure. When a loan shark is removed from a community it also acts to reduce crime in that area.

---

**For more information:**  
[www.direct.gov.uk/stoploansharks](http://www.direct.gov.uk/stoploansharks).



“When a loan shark is removed from a community it also reduces crime in that area.”

## Close partnership working between the council and the CAB is taken to a natural conclusion in **Broxtowe, Nottinghamshire**

In January 2009, Broxtowe Citizens Advice Bureau (Beeston) re-located to the main offices of Broxtowe Borough Council. The CAB is now based in a self-contained office next to the council's own reception area, clearly signposted and easily accessible. The idea is that co-location provides a more convenient service for residents who need help and support, and will make it easier for CAB and the borough council to work together.

The current economic climate is bringing an inevitable increase in demand for debt counselling services, and Broxtowe's decision to bring the CAB into the council building is an attempt to help meet that demand. While it will remain a separate organisation, local people will find it easier to locate and access CAB services, and closer working relationships are being developed between Broxtowe CAB and the council's customer services section. This leads to more joined up approaches to matters relating to council tax, benefits and rates.

CAB district manager, Sue Maslowska, said: "This is an excellent move for us. It places us right at the heart of the community where we can offer a seamless service for clients. The council has been incredibly supportive, and this move will help us to strengthen what is already an excellent relationship."

---

**For further information:**  
[john.bryant@broxtowe.gov.uk](mailto:john.bryant@broxtowe.gov.uk)



“ The council has been incredibly supportive, and this move will help us to strengthen what is already an excellent relationship. ”

# CASE STUDY 5

## Debt and employment are closely linked, as is the case in **Liverpool**

Netherley, North Liverpool, Wavertree and Toxteth Citizens Advice Bureaux provide a jobs, education and training (JET) service funded by Liverpool City Council. Acknowledging the close links between employment and personal debt, the service also offers personal finance and debt advice for its customers. The city council recently awarded local bureaux a further two years funding, and the project now employs six CAB workers.

The JET service identified that, for many people, financial issues are a major barrier to making the transition from unemployment to work, and also to people keeping their jobs. The Personal Finance and Debt Advice Project was developed as a response to this and now sees CAB advisers based within each of the five JET teams, taking referrals from guidance workers and also attending the regular Job Cafes and other promotional events.

This advice can be invaluable in helping people from communities which have traditionally suffered from social and economic disadvantage and high levels of unemployment to take up training or job opportunities.

The CAB team:

- provides assistance to clients to claim in-work benefits and tax credits;
- carries out 'better off in work calculations' to demonstrate whether a client's financial situation would be improved by them taking a job;
- prepares appeals and helps with representation at employment tribunals;
- provides budgeting and debt advice and support, and;
- signposts and makes referrals to other organisations that may help people to resolve personal finance or debt problems, such as credit unions.

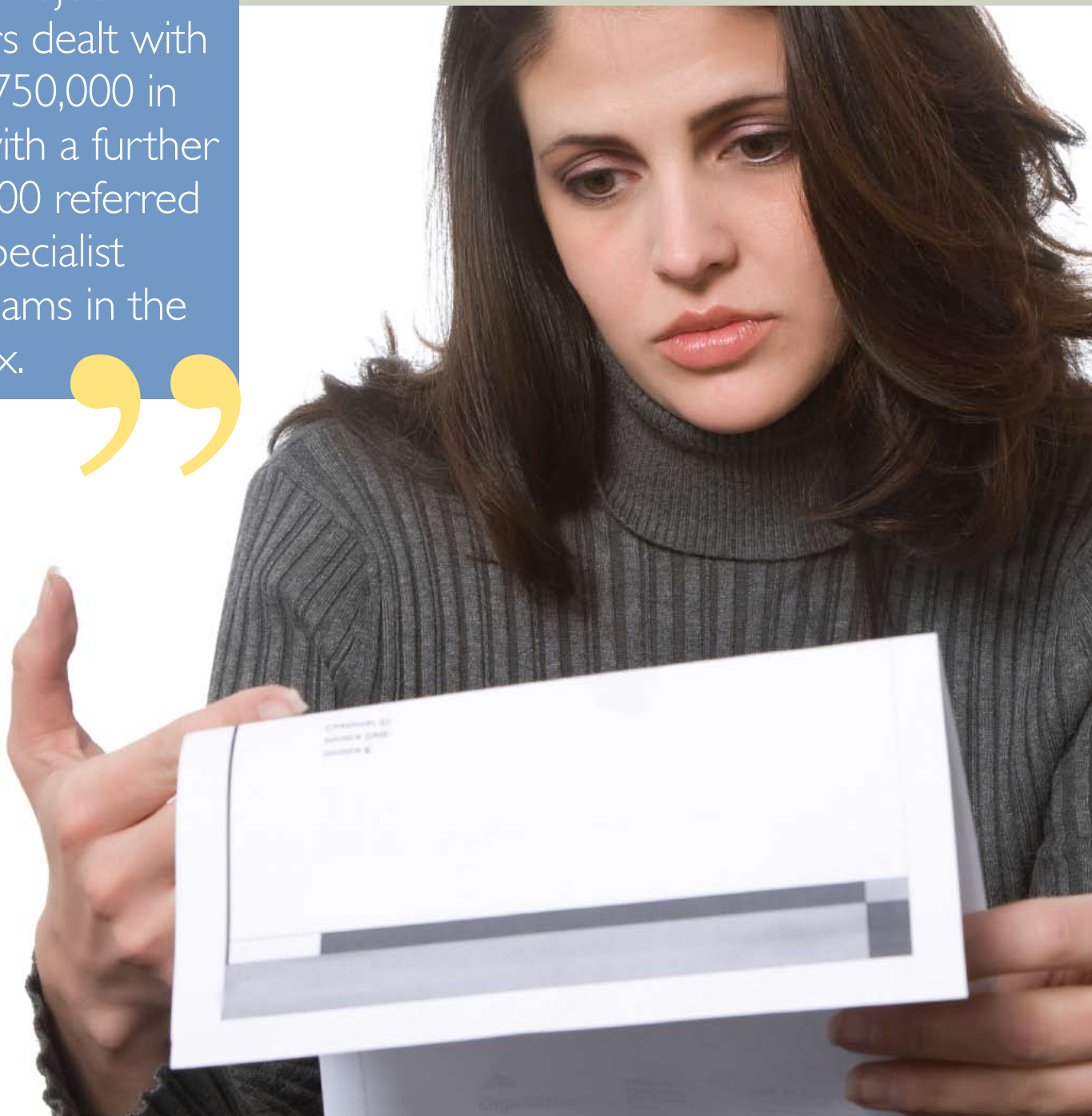
Between June 2008 and March 2009 the project assisted nearly 1,500 clients, collectively helping to increase their income by around £850,000, largely through additional benefits and tax credits claimed. Project workers dealt with over £750,000 in debt; with a further £450,000 referred onto specialist debt teams in the bureaux.

---

**For more information:**  
[willie.gibbons@liverpool.gov.uk](mailto:willie.gibbons@liverpool.gov.uk)

“ Project workers dealt with over £750,000 in debt; with a further £450,000 referred onto specialist debt teams in the bureaux.

”





**Local Government Association**

The Local Government Association is the national voice for more than 400 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.

**4ps**

**I&DeA**

**LACORS**

**LGE**



For further information please contact:

**Citizens Advice**  
115-123 Pentonville Road  
London, N1 9LZ  
Tel: 020 833 7000

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)  
[www.adviceguide.org.uk](http://www.adviceguide.org.uk)

Registered charity number: 279057  
Citizens Advice is an operating name  
of The National Association of Citizens  
Advice Bureaux

©LGA – June 2009  
ISBN 978-1-84049-691-8

For a copy in Braille, larger print or audio,  
please contact LGconnect.  
We consider requests on an individual basis.

Printed by Newman Thomson  
Printed on Ninelives 50/50  
Photographs: istock and Third Avenue

L09-38 Produced by Liberata Design Studio

For further information please contact:

**the Local Government Association**  
Local Government House  
Smith Square,  
London SW1P 3HZ

[www.lga.gov.uk](http://www.lga.gov.uk)

or telephone LGconnect,  
for all your LGA queries on  
Tel: 020 7664 3131  
Fax: 020 7664 3030  
Email [info@lga.gov.uk](mailto:info@lga.gov.uk)

