



PM visits Pimlico CAB

The Prime Minister Gordon Brown made a personal visit to Pimlico CAB in December, following his Commons announcement that people made redundant or who face a "significant loss of income" will be allowed to defer a proportion of their mortgage interest payments for up to two years.

Accompanied by Housing Minister, Margaret Beckett, Mr Brown said he wanted to remind people about the kind of help available for those with debt and mortgage arrears problems.

At Pimlico CAB he was able to meet with clients and advisers, before sitting down to a sofa discussion with Citizens Advice Chief Executive David Harker and the bureau manger Karen Rickwood.

The Prime Minister was particularly interested to hear from one client, a maintenance worker, whose sub-prime lender raised the interest rate on his £111,000 mortgage from 6 to 11%, leaving him unable to meet payments.

Pimlico is a busy bureau in the very heart of Westminster. On the morning of Mr Brown's visit, there were twenty-five clients looking for help and advice.

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Welcome from David Harker, Chief Executive Citizens Advice

This has been a busy time for Citizens Advice, as few will be surprised to hear. The economic downturn has had a profound impact on many people around the country, and the news from bureaux is of greater and greater demand for our services.

Our public affairs team has also been busy, as readers of this newsletter will see. The so-called 'overspill' can be a relatively quiet time in the parliamentary calendar, but this year – what with several select committee appearances, last minute lobbying for the state enforcement of employment tribunal awards, meetings of the all party groups we administer, and the promotion of two early day motions – it has been anything but.

This new session should be equally hectic, if not more so. There are bound to be many new initiatives and policies which affect our clients and though the Queen's Speech appeared somewhat truncated this year, I suspect that there is more than enough here to keep us active in the coming months. I hope you enjoy the read!



Winchester CAB staffed a market stall for Advice Week.



Citizens Advice Chief Executive David Harker holds forth at the Pro Bono Week Reception.

Advice Week Pro Bono week

The parliamentary overspill saw Citizens Advice helping to raise awareness of free advice services in two week-long events.

Advice Week, which was held this year between 6 and 10 October and was funded by the Big Lottery Fund, is an alliance of six organisations which aim to highlight the different ways people can access free and impartial advice on a range of issues, including legal matters, debt, benefits, housing and employment.

With this in mind, local agencies from each of the six organisations put on a series of community activities during the week. Winchester CAB, for example, together with the Local Pensions Service, the Local Authority Benefits Office, HMRC and Scottish and Southern Electricity, staffed a market stall in the town centre every day from 10am to 2pm, as our picture shows. They managed to make contact with over 150 people in this time.

The following month saw the annual staging of Pro Bono Week, a unique collaboration between barristers, solicitors, legal executives and other professionals who work together to provide free legal services to those who do not qualify for legal aid or who are unable to pay for help.

The centrepiece of the week of activities was a reception at the Great Hall of the Royal Courts of Justice on 10 November, which was attended by over 300 lawyers and volunteers. By no small coincidence, the RCJ is home to a Citizens Advice Bureau, founded twelve years ago, which specialises in advising litigants in person, often just before they are to appear in court. A unique partnership involving sixty law firms, the bureau now responds to over 10,000 enquiries a year.

Much needed boost for Citizens Advice service in Pre-Budget Report

The Pre-Budget Report contained good news for the Citizens Advice service. A much needed boost of £10 million was awarded to increase the capacity of local CAB services. With this money Citizens Advice Bureaux in England and Wales should be able to help up to 335,000 more people a year, an increase of 17%. It will make it possible for at least 322 bureaux – three-quarters of the bureau network – to open at least five hours extra a week to provide advice to clients both face-to-face and over the phone.

This is welcome recognition that bureaux need additional support right now to help the growing number of people seeking help with problems as a result of the economic downturn. Bureaux saw a 52% rise in enquiries relating to redundancy in the six months from April to September this year compared with the same period last year, along with a 47 per cent increase in mortgage and secured loan arrears problems and a 20% increase in enquiries about Jobseeker's Allowance. There have also been significant increases in problems with fuel debt, bank and building society overdrafts, council tax arrears and water bill arrears. These are a clear indication of the extent to which people on low and moderate incomes are struggling to make ends meet at a time of increasing uncertainty about the security of their jobs and incomes. Access to reliable, high quality, free, independent advice has never been more vital.

Pre-Budget Report



Citizens Advice broadly welcomed many of the announcements in the Pre-Budget Report, especially those which seek to put more money in people's pockets this winter. Bringing forward increases to Child Benefit, commitments to Child Tax Credit and payments to pensioners are all positive measures. But real improvements in encouraging take-up of benefits like pension credit will be needed to ensure this money reaches those who need it most. Last year up to £9.9 billion in means tested benefits went unclaimed.

Citizens Advice would also have liked to see the Chancellor take this opportunity to fully compensate everyone who has lost out as a result of axing the

10p tax rate, and more done to ensure those on low incomes without children do not fall further behind.

The additional help for homeowners struggling to stave off repossession is much needed. The moratorium on action by lenders against borrowers with arrears of less than three months will help ensure there is time for workable and affordable repayment plans to be put in place to prevent more families from losing their homes. Greater help with mortgage interest payments for homeowners who lose their jobs will also make a difference.

Additional funding for Citizens Advice Bureaux to expand local face-to-face advice capacity and

extra monies for the provision of free telephone debt advice will help to ensure that households struggling in the current economic difficulties can get the help they need.

Citizens Advice welcomes the Government re-iterating its support for the Saving Gateway Accounts Bill and looks forward to this Bill being introduced in the 2008–09 parliamentary year.

Queen's Speech

The Queen's Speech was delivered on Wednesday 3rd December and, whilst not packed with as many Bills as expected, it was still choc-full of measures of interest to Citizens Advice.

Given the recent economic problems, it was understandable that the Speech would be slimmed down. However, several Bills seemingly dropped from the Draft Legislative Programme were combined with others, meaning that we will still have an opportunity to raise our points and concerns on a majority of issues.

Whilst we will wait to see the detail of some Bills as they are published, we already know that the Welfare Reform Bill will be of particular interest. Designed to encourage people to move from benefits to work, ministers will need to demonstrate that the Bill will work well in the present economic climate as well as in any future upturn.

We are pleased to see that the Equalities Bill remains part of the legislative programme and we will be keen to ensure that it demonstrably simplifies discrimination law, works well in practice and that it improves access to discrimination advice.

We also want to make sure the Saving Gateway Accounts Bill will be of as much benefit as possible to our clients, given the economic difficulties many of them face.

The Coroners and Justice Bill, one of the merged pieces of legislation, will be of interest and may give Citizens Advice an opportunity to raise concerns around the safekeeping of wills. We will also be interested in the detail of provisions to create an office of the Chief Coroner and those relating to data and the powers of the Information Commissioner.



We will be looking closely at the content of the Borders, Immigration and Citizenship Bill and the Draft Immigration Simplification Bill to ensure that asylum support issues are addressed by the Government.

In addition, we welcome the Government making its commitment to end child poverty by 2020 into a statutory pledge through the Child Poverty Bill. Provisions in the Local Democracy, Economic Development and Construction Bill could give Bureaux greater opportunity to influence local public service delivery on behalf of clients. We will also be interested in the Draft Community Empowerment Bill for similar reasons. We welcome the chance to work with Parliamentarians on the Draft Civil Law Reform Bill, which will bring forward a number of civil law reform measures, including several recommendations of the Law Commission making the law simpler and more up to date.

The slimmed down programme gives us a greater opportunity to delve into the detail of key bills, so as to make sure they are as fair and effective for our clients as possible. We would welcome views from Parliamentarians on those issues you would like us to prioritise and we would be pleased to provide briefing on legislation as the year progresses. Please do get in touch if you think we can be of use.

PARLIAMENTARY NEWS

Select Committees

Lords Communications: Government Communications

Citizens Advice gave oral evidence to the Committee on 22 October. The session focussed on the value of Direct.gov.uk (the government's public information portal), the fragmentation of government advice on benefits, as well as the importance of involving the voluntary sector in government information campaigns.

Treasury: Pre-Budget Report

Citizens Advice gave oral evidence to the Committee on 4 December, appearing on a platform with representatives from the New Policy Institute, the Institute for Fiscal Studies and Help the Aged. The wide ranging session covered issues such as mortgage repossessions, tax and tax credits.

Debates

Benefit backdating

Citizens Advice's opposition to the recent changes to the benefit backdating periods was heavily quoted in recent debates in both Houses of Parliament. In a Commons debate on the regulations which provided for the reduction in the backdating period for Pension Credit, Housing Benefit and Council Tax Benefit, Jenny Willott MP, Nigel Waterson MP, Paul Rowen MP, John Howell MP and Daniel Kawczynski MP all advocated our position and cited our evidence.

In a similar debate in the Lords led by Baroness Thomas of Winchester, a range of peers expressed strong opposition to the change.

The Government maintains that the change will simplify life for claimants and will 'foster a greater sense of responsibility among customers for their financial affairs'.

In a follow-up written question, Baroness Thomas of Winchester asked whether the Government has plans to commission comprehensive and independent research, to monitor the impact of the change over the next 12 months before making any further reductions in the backdating period. Government minister Lord McKenzie of Luton gave no indication that any such research will take place and stated: *'We will be inviting key stakeholders such as Citizens Advice and Shelter to submit case study data to this department over the next 12 months, which will help us to understand the impact of the change in backdating rules. We will consider this alongside other evidence, for example from the local authority associations. We will review the policy at the end of 2009.'*

This is concerning given that the latest changes lacked a complete evidence base and were criticised by the Social Security Advisory

Committee as a result and because Citizens Advice and other groups have already signalled their clear opposition to the latest changes.

Legislation

Employment Act

While largely happy with the content of this legislation, Citizens Advice was disappointed that the Parliamentary timetable meant that an amendment tabled by the Rt Hon Ian McCartney MP to improve the enforcement of monetary awards made to claimants by Employment Tribunals was not discussed at Report stage. Evidence from Citizens Advice Bureaux, compiled in our latest report on the issue 'Justice denied' suggests that as many as one in ten of such awards is unpaid by the employer, denying full justice to the individual who has already won a case at a tribunal.

In response to our lobbying on the issues, the Ministry of Justice has commissioned its own research to establish the extent of and reasons for non-payment of these awards. We look forward to the publication of this research in the New Year.

New partnership with Nationwide Building Society launched

A three year partnership between Nationwide and Citizens Advice was announced at the end of October. The building society's £3 million investment will fund the recruitment and training of 1,300 volunteers over the next three years who will provide financial education training and advice on money matters across the UK. Financial capability sessions will then be available not only through the bureau network but also directly within the community via community centres and groups and will be rolled out from mid-2009. News of the partnership was welcomed by the Economic Secretary to the Treasury, Ian Pearson MP, and the FSA's Director of Financial Capability, Chris Pond.

Key dates for your diary

APPG Debt and Personal Finance

13 January 2009: New Year reception 2–4pm, Attlee Suite, Portcullis House

3 February 2009: Breakfast meeting 8.30–10am on 'The economy: what are people thinking and how do we boost confidence?' Dining Room A, House of Commons

RSVP to Matt Jones (contact details on right)

Energy Best Deal

Working with energy regulator Ofgem, Citizens Advice has launched Energy Best Deal, a campaign to empower low income customers with the information to help them make the most of the energy market. The campaign has been devised by Ofgem and Citizens Advice and has been funded by the Department for Energy and Climate Change (DECC). The campaign roll-out for this winter follows Ofgem's probe into the energy markets which found that some customers needed more information to help them participate in the market effectively. Energy Best Deal will train local front line workers from Citizens Advice, Housing Associations, Credit Unions and other organisations so they can advise low-income customers about how to get the best deal for their energy.

Pilots of Energy Best Deal showed how much people could save simply by switching providers, tariffs or moving off a pre-payment meter, once they had access to clear information from a trusted source. Citizens Advice Bureaux in England and Wales have seen an increase in enquiries on fuel debt – by rolling out this campaign, bureaux will be equipping consumers with the information they need to reduce their fuel bills this winter.

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