

Working in Partnership

Citizens Advice works in partnership with government and private and third sector organisations to deliver targeted services to clients and provide opportunities for advisers and those outside the CAB service to come together.

- A partnership with Macmillan Cancer Support means that 46 bureaux have funded positions for a Welfare Rights Adviser.
- Work with Barclaycard means that 30,730 lone parents and frontline workers have benefited from financial capability training since the partnership was renewed in April 2008.
- Funding from the Bank of America Foundation has enabled over 500 community organisations to meet regularly at the Financial Capability Forums. This has attracted additional backing from Government departments and others to deliver training on energy saving and money matters to at least 5,000 service users and 5,700 frontline workers.
- MoneyActive, a new partnership with Nationwide Building Society will see 1,300 CAB volunteers trained to run financial education sessions, hoping to reach some 100,000 people over the next three years.

Money Guidance

A significant new partnership, which launched formally in April, sees 12 Citizens Advice Bureaux in the North East form part of the Moneymadeclar service. This new free service will help people across the region to understand their finances. Moneymadeclar

is the year-long pilot project jointly funded by the Financial Services Authority and HM Treasury to test the blueprint for a national 'money guidance service'. Trained 'Money Guides' in CABs in the North East will offer face to face guidance to people on mortgages, insurance, pensions, savings and budgeting, amongst other matters. Independent, impartial and completely confidential, this is a new addition to the work of the CAB service in the region.

Up until now advice on these issues was all too often tied to the selling of products or too expensive for people to afford. The service aims to give people the confidence they need so that they can take the next step in planning their future. Advice is also available via a website and telephone number.

Support for the Armed Forces

Citizens Advice's partnership with The Royal British Legion and Royal Air Force Benevolent Fund has been rolled out to more locations. The partnership, which sees funded CAB caseworkers providing benefits and money advice to serving personnel, veterans, their partners and dependents, is now in place at 31 bureaux (from an original 18), with further posts planned. Since October 2007, caseworkers have seen some

4,500 clients, helping them to access previously unclaimed benefits and grants and reducing the overall debt of these clients by £6.5million.

Early indications are showing that the profile of enquiries and number of advice issues that these clients have is distinct from the pattern usually seen by bureaux. It appears that clients have more, complex problems and seek advice later. Further policy analysis is planned.

Join us at the 2009 Citizens Advice Annual Parliamentary reception

The highlight Parliamentary event in the Citizens Advice calendar takes place this year in Wednesday 10 June. We are delighted that the Secretary of State for Business, Enterprise and Regulatory Reform Lord Mandelson will be our keynote speaker at this event, hosted by Karen Buck MP, Chair of the Citizens Advice All Party Parliamentary Group. An open invitation is extended to all Parliamentarians to join us on the House of Commons Terrace Pavilion from 4-6pm. At the reception we will also be presenting the third Citizens Advice 'Parliamentarian of the Year' award.

Third sector spokesperson visits local CAB



Nick Hurd MP Member of Parliament for RuislipNorthwood and Shadow Minister for Charities, Social Enterprise and Volunteering recently paid a visit to his local CAB officer in Ruislip. Nick heard how the changes to Legal Services Commission funding may impact on the bureau. He also heard how the bureau is managing the economic downturn and about the increase in local authority funding that the bureau has received as a result. This increase has allowed the bureau to increase telephone advice provision, provide website call backs and to recruit more paid advisers. Ruislip CAB operates a 'Gateway assessment' which is a triage system used by the Citizens Advice service to help more clients, more efficiently.

Regional Minister visits Stevenage CAB



Barbara Follett MP for Stevenage recently visited Stevenage CAB in her role as Minister for the East Region. Barbara met bureaux staff and clients (having signed a confidentiality agreement) and discussed views on debt relief orders and the recently introduced mortgage rescue schemes.

Stevenage is one of the bureaux that has benefited from recent additional Government funding for a twelve month period. This funding, combined with the additional rooms given to the bureau by the local council has led to an extension in opening hours and the recruitment of more staff and volunteers. Ms Follett noted that she had felt the benefit of this extra capacity in terms of her own surgery and thanked the bureau staff for all their hard work.

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Citizens Advice Parliamentary newsletter

A word of advice



Budget 2009



In our pre Budget submission to the Chancellor, Citizens Advice argued that the focus should be on establishing clear targets for take up of benefits and tax credits; offering more support to people in debt, clamping down on rogue traders who would profit from the economic downturn and **improving access to free, independent and trustworthy advice.**

We are pleased with many of the Budget measures, in particular:

- **More help with childcare** – The Budget announced measures to help families continue to meet childcare costs if their working hours fall or their lose their job. Whilst recognition of the need for continued help with childcare after the loss of a job is welcome, Citizens Advice believes that this help should ideally be provided for six months and we hope that the measures will be kept under review.

- **Increasing working tax credit take-up** – Commitments in the Budget to improve take up of tax credits and benefits are welcome. HMRC has set a target for increasing take-up of working tax credit for entitled households without dependent children by 100,000, equivalent to a target take-up rate of 30 per cent at best, which we consider to be too low.

- **Extra money for the Social Fund** – We welcome the extra £270m allocated

but remain concerned and somewhat unclear about the Government's long-term intentions for the Social Fund.

- **Additional help for jobseekers** – The additional £1.7bn for Jobcentre Plus should better help them face the extraordinary pressures they are currently under. Citizen Advice Bureaux in England and Wales saw daily enquiries about redundancy increase by 153% between April 2008 and January 2009 and enquiries about Jobseeker's Allowance increase 138% for the same period.

- **Extension of support for homeowners** – The Budget extended the Support for Mortgage Interest scheme (SMI) which means that qualifying homeowners who are facing mortgage repayment difficulties will receive a higher level of support for a further six months.

- **Removing unfairness in the rules on permitted work** – We are delighted with the Budget provisions that mean that from 2010-11, the earnings limit in Housing Benefit and Council Tax Benefit for those undertaking permitted work on contributions-based Employment and Support Allowance (ESA), Incapacity Benefit and Severe Disablement Allowance will be changed to align them with those that apply to people receiving income-related ESA. Citizens Advice has consistently highlighted the previously unfair anomaly.

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Welcome from David Harker, Chief Executive Citizens Advice

Last month I went to a reception at 10 Downing Street where around 40 money advisers from our bureaux network were thanked by the Prime Minister for their hard work helping people during the recession.

The event was part of the Government's Real Help Now Campaign recognising the efforts of frontline workers, and the Prime Minister took time to talk to everyone there about their experiences.

It is always heartening to receive praise from politicians, of course, but I am always particularly pleased when those same politicians want to hear about the problems we find and what the solutions might be.

Citizens Advice is in unique position in that the work of our front-line advisers helps inform our social policy and campaigning work. In fact, in many ways they are seamless.

So if you do wish to praise the work we do with clients in bureaux around the country – and I hope you do – please also listen to what we've got to say, as it's rooted in the real life experiences of thousands of people.

CAB advisers attend summit hosted by Prime Minister



In March, debt and money advisers from across the country were the participants in a special summit organised by the Prime Minister's office at Church House in Westminster. Over twenty CAB advisers were able to discuss their experiences of advising clients and put questions to the Prime Minister and two Treasury ministers over the course of an hour.

The common theme was the need to find more ways of helping people to cope with their financial problems in the present economic climate, though many issues were explored.

Suman Antcliffe from East Staffordshire CAB, for example, raised the issue of the Common Financial Statement, which allows people with multiple debt problems to repay what they owe to lenders

in an affordable, managed way. While the scheme is in theory accepted by all lenders, some seem to want to 'go it alone' and demand higher payments, thereby putting unnecessary additional stress on clients. Howard Springett, an adviser from Kingston CAB, later raised the specific issue of the problems faced by borrowers with mortgages provided by sub-prime lenders, leading the Prime Minister to make copious notes.

After the formal session with the Prime Minister and Treasury ministers was over, Citizens Advice used the remaining time to run workshops for the many advisers present to allow further discussion on what more could be done to help clients at this difficult time.

The advisers were able to discuss a variety of issues, from the rising

demand for debt advice to particular problems such as negative equity, bankruptcy orders and debt collection procedures.

Turning to what more could be done to help consumers, they came up with four specific reforms, reiterating the issues which had been raised in the earlier discussion with ministers:

- Ensure all lenders pass on interest rate cuts to unsecured credit products like credit cards, unsecured personal loans and to so called sub-prime mortgages were interest rates remain very high and often result in repayment problems;
- Tackle high and unfair default and arrears charges made by sub-prime mortgage lenders;
- Devise a simply, cheap and effective stakeholder type Payment Protection Insurance policy that truly protects people from changes in their circumstances – not just profit for lenders; and
- Change the law regarding charging orders and orders for sale – bring in safe guards to stops lenders securing small consumer credit debts to people's homes and bring in greater protection from orders for sale and stop just relying on judges discretion.

There is plenty of food for thought here, and it can only be hoped that the Government acts quickly on these suggestions.

PARLIAMENTARY NEWS



Legislation

Equality Bill introduced to Parliament

Citizens Advice warmly welcomes the introduction to Parliament of the Equality Bill, which is a landmark piece of legislation that will improve workplaces and services for many thousands of people.

Citizens Advice strongly believes that protection against multiple discrimination should have been included in the Bill and will push for the Bill to be amended in this way as it progresses through Parliament.

However, we particularly welcome the new single public sector equality duty to eliminate discrimination and promote equality on all the protected characteristics; though we will look closely at the detail in the Bill to ensure that the new duty works effectively in practice. In addition,

we are very pleased that a duty on strategic public bodies (such as local authorities and PCTs) to reduce socio-economic disadvantage has been included in the Bill, but we believe this must also apply to regulators for it to be truly effective.

Citizens Advice is also pleased that the Bill contains provisions to outlaw indirect disability discrimination and introduces the new concept of discrimination arising from disability. We argued that these provisions were necessary following a recent legal ruling (London Borough of Lewisham v Malcolm). We also argued for harassment in the provision of goods, facilities and services on the grounds of age and disability to be outlawed and welcome the Bill's inclusion of these provisions. However, we believe the Bill should also outlaw harassment

in these circumstances on the grounds of sexual orientation and religion and belief.

In addition, although we are disappointed that representative actions are not included in the Bill, we are pleased that work in this area is being taken forward separately by the Ministry of Justice and we intend to contribute.

Overall, whilst there still some improvements to this Bill that Citizens Advice will be working achieve, the importance of this proposed legislation cannot be underestimated. Citizens Advice Bureaux have seen a 17% increase in employment discrimination enquiries in the past year. The Equality Bill will make it easier to challenge the discriminatory practices that cause hardship and distress to so many individuals.

Unfair practices also make it difficult for legitimate businesses to compete. In times of recession, equality is more important than ever. It is essential that there is a level playing field and that we draw on everyone's talents.

Welfare Reform Bill moves to the House of Lords

As this Bill continues its legislative passage, Citizens Advice is focusing our briefing of peers on four key areas:

- The proposals to make benefit claimants 'work for their benefit';
- The proposals to abolish Income Support and move lone parents onto Jobseeker's Allowance;

- The proposals to reform the social fund; and
- The proposals to introduce financial sanctions on lone parents.

We hope that during the Lords debates there can be discussion of Citizens Advice suggestion that Employment and Support Allowance may be a more appropriate benefit for lone parents as it more fully recognises the barriers to employment that they face.

We will also call for the Bill to be amended to ensure that in future, where the social fund may be provided by external contractors, that an independent right to appeal decisions is available to social fund applicants.

We will continue to raise concerns about the 'work for your benefit' proposals as they could lead to claimants working full-time while in benefit which raises issues both in terms of the National Minimum Wage and their ability to seek actual work during this time.

Finally, we will press for the Bill to be amended so that the first sanction incurred by a claimant who fails to meet the benefit's conditionality will be non-financial – as recommended by the Government's adviser on welfare reform – and will be accompanied by a clear explanation of why the sanction has been incurred. All too often bureaux report advising clients who have been sanctioned repeatedly without an explanation of what they have done wrong.

Select Committees

Citizens Advice give oral evidence to Regulatory Reform Committee

On Tuesday 24th March, Citizens Advice head of consumer policy, Sue Edwards, gave oral evidence to the Committee's inquiry on Themes and Trends in Regulatory Reform, alongside representatives from the Trades Union Congress, Trading Standards Institute and Consumer Focus.

Sue argued that the way the market has been regulated – light touch, principles-based – has allowed firms to decide what the principle means, to the detriment of consumers. It is easier for Citizens Advice advisers to represent and help clients when dealing with issues that are subject to rules-based regulation. Risk-based regulation is not unwelcome but in the past this has been assumed to be about dealing with businesses on the margins – home credit, rogue traders – and has not looked at the enormous consumer detriment from some mainstream high street firms' selling practices, products, and so on.

Citizens Advice would like to see regulators, business and consumers learn from the current crisis and step away from very light touch regulator regimes. The most important thing for regulators to do is to consider what the market is doing to consumers – something which has not been done by all regulators.

All Party Groups

APPG Debt and Personal Finance – Meeting on public perceptions of the economy

On Tuesday 10th March, the Group held a breakfast discussion event on the economy and the public's perceptions of the recent banking crisis and the recession. Peter Kellner, president of polling company YouGov, Dr Vince Cable, the Liberal Democrat Shadow Chancellor, and Ed Mayo, chief executive of new consumer watchdog Consumer Focus, addressed the meeting and took questions from a group of affiliate members of the Group and senior Parliamentarians.

Peter Kellner told the audience that YouGov's tracker of consumer confidence has indicated a different story to that portrayed by the media, adding that consumer confidence collapsed between February and May 2008 but had picked up in recent months, albeit not to previous levels.

Vince Cable called for generic financial advice to be made more widely available, for home repossessions to be avoided, for the banking sector to be made to work in the direct interest of the public, and for the Government to consider parachute drops to put money directly into people's hands. Ed Mayo called for better safety nets for people during the recession.