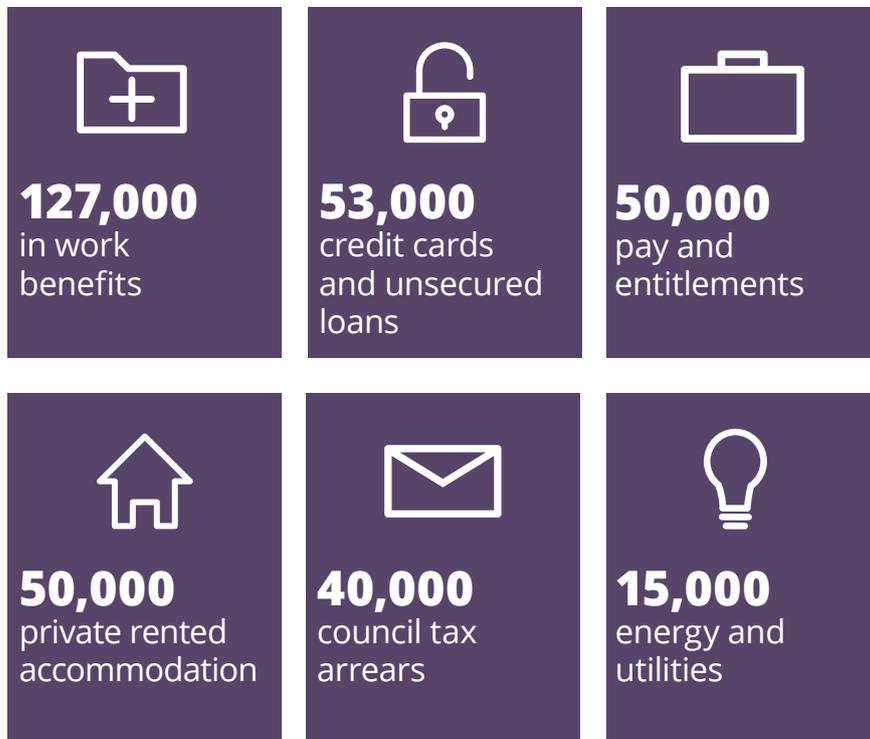


Citizens Advice helped 700,000 working families in the 12 months to October 2016. The range of problems Citizens Advice helped with give an insight into the lives of “just managing” families - those that are in work, but find day-to-day life a struggle. This barometer explores the six most common issues people faced.

What problems did people have?

People had between 2 and 3 problems on average.

Top 6 most common problems



“ My partner and I have run a courier company for the last six years. While business is good, nearly half our income goes on rent, bills and food. The other half pays for petrol, insurance and accountants for the company. We have a nine year old child so we also budget for sudden costs like school trips. At the end of the month, there isn’t much left. We’re managing at the moment, but just a small rise in petrol or utilities would leave us struggling.”

John, 38, Bristol

In work benefits



Problems with benefits often lead to other problems. 4 in 5 of clients with a benefit problem were also advised on something else.

On average, 6% of a working family’s income comes from in-work benefits such as tax credits and housing benefit. For working families with below average incomes, this rises to 17%.

Credit cards, unsecured loans and overdrafts



Many people we advised also had another debt issue - for example 1 in 3 were also advised on council tax arrears.

More than half of working families held some form of unsecured debt in 2012-14. This was typically £3800.

Pay and entitlements



55%

had problems with sick pay or leave entitlements



23%

had problems with wages

Most people came to Citizens Advice for guidance on entitlements such as holiday pay and sick pay, which can be particularly unclear for casual workers.

Insecure work is growing. There are now 900,000 people on zero hours contracts, an increase of 150,000 in comparison to 2015.

Council tax arrears



41%

had problems with their debt repayments



39%

came for advice about bailiffs collecting council tax debt

Council tax debt is the most common type of priority debt just managing families have. Many people struggled to keep up with debt repayments and sought advice around aggressive debt collection practices.

750,000 working families are in council tax arrears. Families working part-time, or with one full-time earner, are more likely to have council tax debts.

“ Many local families have low-paid jobs or work different hours each week, making it hard to predict their income and manage their money. Fluctuating hours have other knock on effects, such as getting the right amount of tax credits. Very few people can put money aside, so something like repairing a washing machine can push people into debt. People who miss a rent payment may need to look for a landlord who'll accept previous rent arrears, which often means getting a poorer quality home.”

Alice Jannetta
Outreach worker,
Citizens Advice Derbyshire & Districts

Private renting



18%

had issues with the quality of accommodation



18%

faced losing their homes

People who came to Citizens Advice had a broad range of problems, from rent and letting agents fees, to poor quality accommodation.

4.8 million households rent privately, twice as many as ten years ago. 1 in 4 live in homes that do not meet minimum standards.

Energy and utilities



18%

had problems switching supplier



15%

had problems with their bill

More than a quarter of people who contacted Citizens Advice with a consumer query had a problem with their energy supplier.

Problems switching supplier are particularly concerning, as our evidence suggests that the people who struggle the most would also gain the most from switching.

“There is a fine line between just about managing and not.

“It is often things beyond people's control - like aggressive or inflexible debt collection practices, landlords providing poor quality homes and bosses not giving workers the pay and leave they are entitled too - that can make life precarious for these families.

“We also need to remember that people have on average 2 to 3 problems affecting their lives at once, and they tend to be connected. This means if one becomes a significant issue so do the others.”

Gillian Guy

Chief Executive, Citizens Advice