

The impact of welfare benefits advice



The Citizens Advice service provides **free, independent** and **confidential** information and advice on welfare benefits to over 722,000 people a year. This is offered face-to-face, over the phone and online.

Citizens Advice Bureaux provide value through advice provision. **This is estimated to be worth at least £750m annually to society¹**. Welfare advice forms a vital part of this service. Citizens Advice carries out rigorous evaluation to understand how our advice benefits clients. Our research shows that we help two thirds of our clients resolve their problem within three months of contacting a bureau.

Why is welfare benefits advice needed?

The benefits system is complex and can be difficult to understand

People need different levels of support to understand what they are entitled to, or to complete forms with full and accurate information.

Welfare reform is significantly altering the way people receive benefits

People come to us to seek advice about how benefit changes will affect their lives and to get help to manage the transition from one set of rules to another.

People don't always claim what they are entitled to

An estimated £12.3 billion in benefits went unclaimed in 2009/10, meaning many people are missing out on benefits that could improve their living standards.

The benefits system is not responsive to changing work circumstances

Transitioning between 'out of work' and 'in work' benefits can be a complicated process and may result in delayed payments. This is especially so for casual and zero-hours workers, whose irregular work pattern can affect their entitlement.

People are unsure when or how to appeal

People seek our help to understand whether they have grounds to challenge a decision on benefit entitlements and to navigate the appeals process.

30 million

People receiving income from benefits or tax credit in the UK²

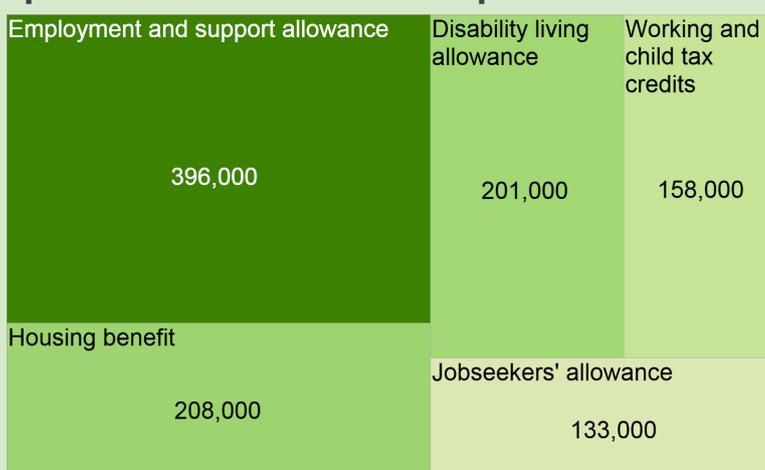
£12.3 billion

Unclaimed benefits estimated in 2009/10³

£1.5 billion

Underpaid benefits due to error in 2013/14, estimated by the DWP⁴

Top 5 benefit and tax credit problems 2013-14



The diagram opposite shows Bureaux' top recorded problems in relation to benefits and tax credits. **Employment and support allowance** (ESA) remains the most frequently recorded, accounting for 21 per cent of all benefit and tax credit problems and **7 per cent of all problems**.

Throughout 2014, Citizens Advice has campaigned for changes to ESA to make it fairer and more efficient through our *Fit for Work* campaign.⁵

How does Citizens Advice help?

We know that our advice services are successful in helping people take up the right benefits, and delivers significant financial gains for clients⁶. We help people understand how changes in their situation, like gaining employment, can affect their benefits entitlements.



722,000 clients

were provided with advice about benefits and tax credits by Bureaux in 2013-14

1.9 million problems

with benefits and tax credits were dealt with by Bureaux in 2013-14

6.1 million views

of welfare and tax credit webpages on our online self-help Adviceguide

Advice leads to outcomes...

Key outcomes we see in this area of advice include non-financial outcomes such as resolving administrative problems and challenging discrimination, as well as benefit and tax credit awards and back-payments.

Financial outcomes recorded for benefits and tax

Outcome	Average value per client
Ongoing payments	£6,300
Back payments	£2,400

Research in 2014 shows that after contacting a Citizens Advice Bureau, over 476,000 clients have their benefits and tax credit problems solved on average per year, which equates to⁷:

2 in 3 clients' benefit & tax credit problems solved



Our clients report better mental well-being after receiving welfare rights advice. Local economies also benefit from claimants spending their money locally.

80 per cent

of benefit and tax credit clients feel less stressed, depressed and anxious after advice from Citizens Advice Bureaux⁷



£30.4 billion

lost from the economy per year as a result of £19 billion benefits lost through welfare reform, estimated by Sheffield Hallam University^{8&9}

Produced by Citizens Advice Impact & Evaluation Team, 2015



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Sources:

¹ Citizens Advice (2014) *Making the Case*

² Institute for Fiscal Studies (2014). *A Survey of the GB Benefit System*.

³ DWP (2012). *Income Related Benefits: Estimates of Take-up in 2009-10*.

⁴ DWP (2014). *Fraud and error in the benefit system: Preliminary 2013 to 2014 estimates*.

⁵ Citizens Advice (2014). *The cost of a second opinion*

⁶ Centre for Economic and Social Inclusion (2014). *Take-up of benefits and poverty: An evidence and policy review*.

⁷ Citizens Advice (2014). *National Outcomes and Impact Research*.

⁸ New Economics Foundation (2013). *Surviving austerity*.

⁹ Sheffield Hallam University (2013). *Hitting the poorest the hardest*.