

Advice trends in Wales

**Client statistics of the
Citizens Advice service in Wales:**

Quarter 3
(October - December 2015)



**cyngor ar
bopeth**

**citizens
advice**

Citizens Advice in Wales

Citizens Advice is a charity founded in 1939. Since then, we've given advice, information and support on a range of everyday issues to anyone who needs it, from debt, money and welfare benefits to housing, employment and relationships.

Our financial education sessions and income maximisation programmes also help people to take control of their finances and ensure those in need are claiming all the financial support they are entitled to.

In Wales we have a network of 19 local Citizens Advice¹ - all individual charities, staffed by nearly 800 dedicated volunteers and paid staff.

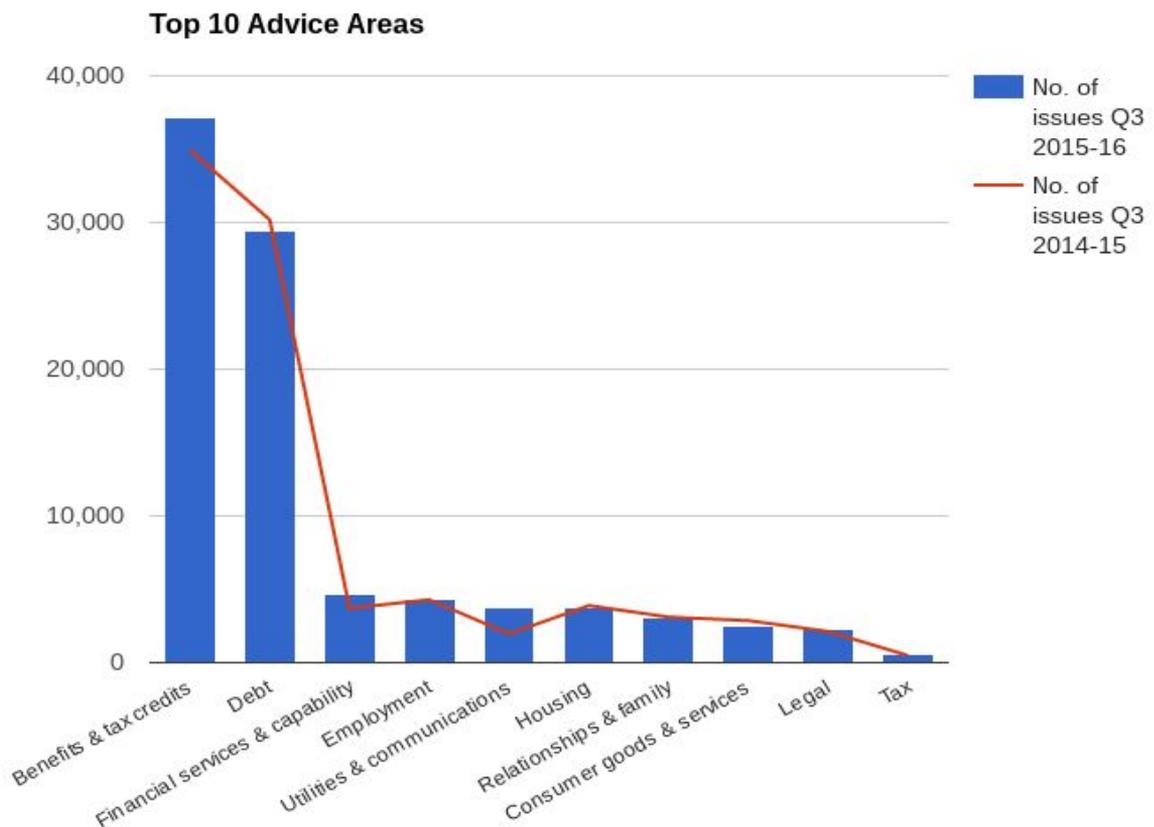
We remove the barriers to advice by going to places where people need us most, delivering advice from over 375 community locations in Wales, as well as offering services over the phone and online.

Every year across England and Wales millions of people turn to us. This gives us a unique insight into their needs and concerns. We use this knowledge to campaign on big issues, both locally and nationally. So one way or another, we're helping everyone – not just those we support directly.

¹ Citizens Advice is changing. We are modernising our services to respond to changing needs and to reach more people. As part of this process there will be a new name for the service - 'bureau' is now called local Citizens Advice.

Advice trends - headlines

Between **October and December 2015**, the Citizens Advice service in Wales helped more than **29,700 people** with over **98,400 problems**, an **8% increase** compared to the equivalent period in 2014-15². The Wales section of the Citizens Advice self-help website also had **180,258 visitors** during this time.



▲ Graph 1: Top 10 advice areas dealt with by Citizens Advice in Wales during Q3 2015-16 and Q3 2014-15

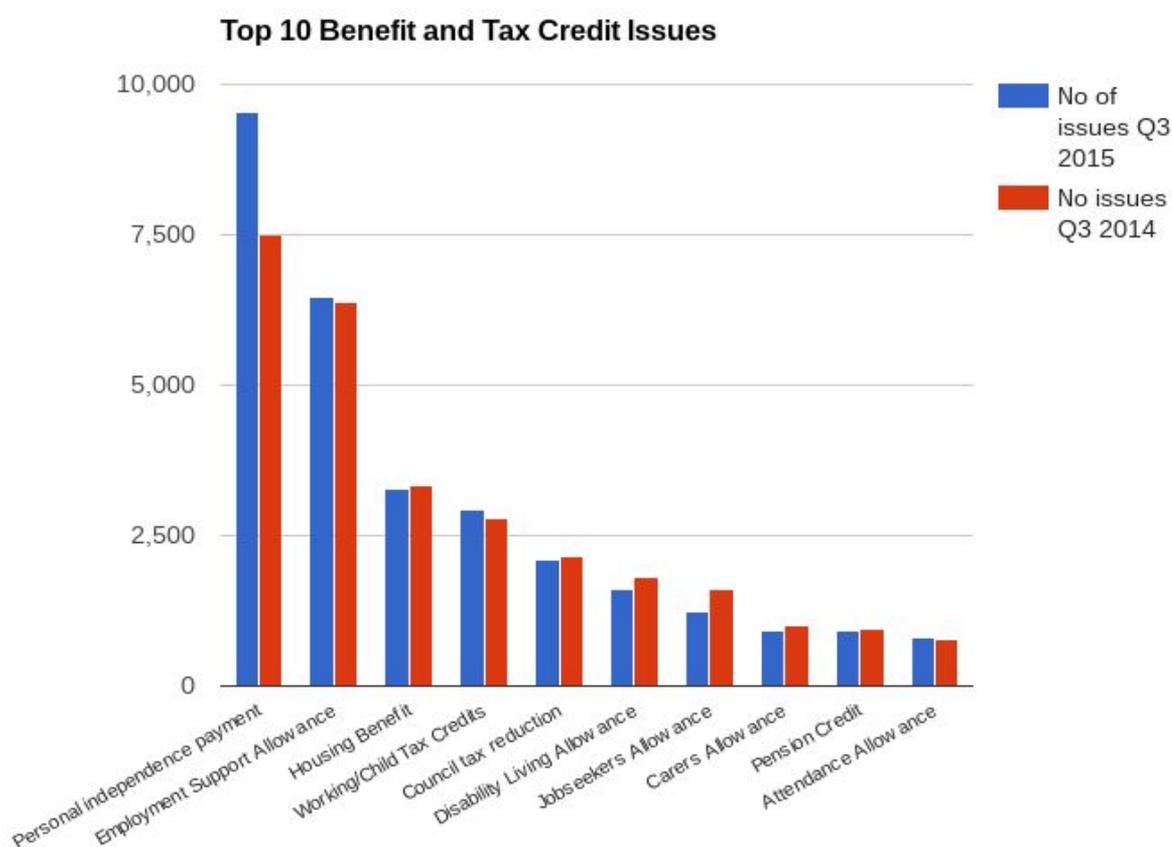
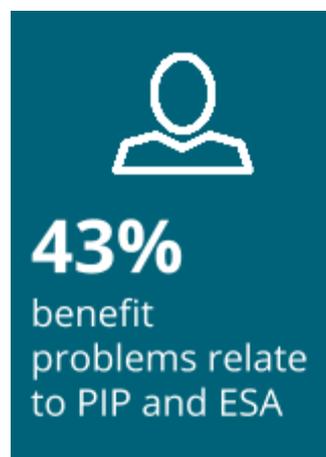
Benefit and tax credit problems remain by far the largest grouping of issues that people in Wales seek our help with, and enquiries were up 6% when compared to the same time last year. Debt problems continue to decrease slightly (down 2%), showing the number of people seeking help with debt problems is plateauing. As previously reported, the changing nature of debt continues to show people are struggling to meet the everyday costs of living and we have seen a marked increase (up 11%) in debt relief order issues.

² It should be noted that slight adjustments have been made to the number of issues recorded under 'Utilities & communications' and 'Financial services and capability' due to technical problems at one local Citizens Advice in Wales.

Benefits and welfare

Benefits-related problems continue to dominate the advice provided by local Citizens Advice across Wales, accounting for **38%** of all the issues we see. Between October and December 2015 **13,516 people** were helped with **37,148 benefits-related problems** up slightly (6%) when compared to the equivalent quarter of 2014.

As anticipated with the roll out of personal independence payment (PIP)³ we are seeing significant increases in enquiries and it remains the **largest single issue** on which people seek our help for the sixth consecutive quarter. The other marked increase not shown within the below is in the increase of universal credit (UC) enquiries, up by over 1000% against the equivalent quarter for 2014-15, however the numbers remain small at 289. While UC is now rolled out across the whole of Wales, it is currently only applicable to single claimants⁴.



▲ Graph 2: Top 10 benefits and tax credits problems dealt with by Citizens Advice in Wales during Q3 2015-16 and Q3 2014-15

³ PIP is a non means-tested benefit that is gradually replacing disability living allowance (DLA) for people of working age (16 to 64).

⁴ Shotton in Flintshire is the exception where they are also accepting couples and families.

Between October and December 2015 our service helped **3,902 clients** with **9,548 PIP related problems - a 27% increase** on the equivalent period last year. That is more than double the top debt-related problem of council tax arrears. Of those seeking help with their PIP, **917 people** sought help with an appeal, or to challenge a decision, **up 36 per cent on the same time last year.**

Mirroring the [England and Wales Advice Trend data for quarter 3](#), the all Wales data also shows a decrease in issues related to Jobseekers Allowance (JSA), down 22%, as well as housing benefit (HB) under occupancy enquiries, down 24%. Other notable fluctuations in the level and type of benefit and tax related problems can be seen in the below table:

Type of benefit	No. of issues:	Change from Q3 2014-15
Universal credit	289	+1,104%
JSA	1,242	-22%
Attendance allowance	814	+5%
DLA	1,610	-11%
HB under-occupancy	81	-24%
Food banks ('Charitable support')	418	-3%
Localised social welfare/ Discretionary Assistance Fund (DAF)	285	+10%

▲ Table 1: Notable changes in benefits/tax credits problems dealt with by Citizens Advice in Wales during Q3 2015-16

Debt

Debt remains the second biggest problem area accounting for **29%** of all problems. Nearly **7,000 people** were helped with more than **29,400 debt problems** between October and December 2015, a slight drop (-2%) compared to the same period in 2014. Debt has the highest ratio of problems to people, with each person having on average 4.2 debt related problems.

The trend of decreasing numbers of consumer credit debt problems continues, with decreases seen across credit cards, personal loans, overdraft facilities and payday loans. One anomaly to this trend is an **increase in catalogue and mail order debts, with 1,437 problems reported, up 8%** against quarter 3 in 2014-15.



Top 10 debt problems	No. of issues	% of all debt problems	Change from Q3 2014-15
Council tax arrears	3,853	13%	-1%
Debt relief order	3,052	10%	+11%
Credit/store cards	2,932	10%	-9%
Personal loans	2,685	9%	-8%
Rent arrears (total)	1,509	5%	-2%
- Local Authority	556	2%	-4%
- Housing Association	566	2%	+14%
- Private sector	387	1%	-14%
Catalogue and mail order debts	1,437	5%	+8%
Water debts	1,431	5%	+5%
Telephone/broadband debts	1,329	5%	+20%
Bank/Building society overdrafts	1,224	4%	-19%
Fuel debt	1,030	4%	+4%

▲ Table 2: Top 10 debt problems dealt with by Citizens Advice in Wales during Q3 2015-16

We saw a slight decrease in the number of people presenting with **council tax arrears problems, down to 1,568 people helped with 3,853 problems which is a 1% decrease compared to this time last year.** The proportion of problems relating to arrears on essential household bills remains high when compared to consumer credit debt, with increases seen in water (up 4%), fuel (up 5%) and telephone/ broadband (up 20%) related debt.

Rent arrears has dropped by 2% overall when compared to 2014-15, with a marked decrease in local authority and private sector rent arrears offsetting a large increase in **housing association rent arrears (up 14%).**

Other notable changes in debt problems is a significant increase in **hire purchase arrears being seen, up 28% against 2014-15 to 318 issues.** The trend in decreased payday loan related problems continues in light of recent legislative changes, dropping to 482 problems, nearly half the amount we were seeing a little over two years ago in 2013-14.

14%
rise in rent
arrears
amongst
housing
association
tenants

Housing

2,767 people turned to local Citizens Advice for help with **over 3,700 housing problems** between October and December 2015. Problems relating to private rented sector (PRS) properties continue to dominate, with significantly more people coming from the PRS seeking our help with problems compared to those living in social housing or owner occupiers.

Top 5 housing problems	No. of clients	No. of issues	%	Change from Q3 2014-15
PRS property	929	1,133	31%	+5%
Threatened homelessness	267	293	8%	-19%
Owner occupier property	280	293	8%	+2%
LA housing	245	290	8%	-18%
HA property	241	289	8%	-8%

▲ Table 3: Top 5 five housing problems dealt with by Citizens Advice in Wales during Q3 2015-16

Across the network there was a large decrease in homelessness related enquiries, likely as a result of the impact of the Housing Act (Wales) 2014 changes to homelessness provision that puts greater emphasis on prevention and early intervention. The network saw **actual homelessness issues drop to 159, 29% lower compared to the same period in 2014**. Issues related to **local authority homelessness services also dropped down dramatically to 58 issues, down 52% when compared to the previous year**.

Employment

Employment issues remain the fourth biggest area on which people seek our help. Between October to December 2015 local Citizens Advice helped **2,855 people** with **4,316 employment-related problems**, a slight increase of 1% on the same period in 2014. Problems associated with pay and entitlements continue to be the biggest employment-related issue with 939 people seeking our help, accounting for a quarter of all employment problems (26%).

Dismissal related issues continued to drop, down 11% however **redundancy issues increased again, up by 8% against 2014-15**.



1 in 4
employment
problems relate
to pay and
entitlements

The largest increase has been in people seeking help with dispute resolution (up 17%), perhaps reflecting the UK Government push towards this approach and increasing the role of ACAS rather than using employment tribunals.

Type of issue	No. of clients	No. of issues	%	Change from Q3 2014-15
Pay & entitlements	939	1,101	26%	+1%
Dismissal	526	699	16%	-11%
T&C of employment	501	575	13%	+5%
Dispute resolution	400	453	11%	+17%
Redundancy	275	362	8%	+8%

▲ Table 4: Top 5 employment problems dealt with by Citizens Advice in Wales during Q3 2015-16

Consumer

'Consumer' refers to our data categories of 'Consumer goods & services', 'Financial services & capability', 'Utilities & communications' and 'Travel and transport' combined. Across the wider group we helped **almost 5,000 people** with a consumer-related problem between October and December 2015.

Type of issue	No. of clients	No. of issues	Change from Q3 2014-15
Fuel-related problems (eg. gas, elec, oil, coal)	1,191	2,951	+97%
Financial capability	956	2,976	+27%
Fraud & scams	180	476	-54%
Water & sewerage	356	391	+92%
Personal pensions	288	389	+154%
Building repairs/improvements	190	269	+23%
Bank/Building society/Post Office a/cs	155	222	+17%
Credit reference agencies	93	216	+112%
Second hand vehicles	141	184	+3%
Driving (eg. driving offences; licences)	131	145	-1%

▲ Table 5: Top 10 consumer problems dealt with by Citizens Advice in Wales during Q3 2015-16

The **27% increase in financial capability issues** is as a result of the expansion of integrated money advice services providing financial capability information and advice alongside debt advice. Similarly, the large **increase of 154% in personal pensions issues** is due to the knock-on effect of delivering the face-to-face Pension Wise service that Citizens Advice started to provide in April 2015⁵.

Since April 2015 most local Citizens Advice in Wales have received funding through the Energy Best Deal Extra Programme. This is likely to have had an impact on the reporting of fuel-related problems and the associated increase in the number of issues seen. The most common fuel-related issues are:

- Warm Home Discount
- Price or tariff for gas/electricity
- Selling methods/switching supplier

The main water-related problem is Watersure/social tariffs. This is again likely to be as a result of increased rollout and promotion of the tariffs by water companies since their introduction in April 2015.

The biggest and most notable decrease in this grouping of consumer issues is the **54% reduction in frauds and scam issues** seen across the network in Wales when compared to the same period in 2014.

Discrimination

Other notable increases not shown in the top 10 advice areas are for people seeking help in relation to discrimination (up 57%) and education (up 11%). These increases are likely to be caused by the delivery of the FrontLine Advice service funded by Welsh government to provide an all Wales specialist advice service in relation to discrimination, including education discrimination. It should be noted that the overall number of problems seen remains small at 513 for discrimination and 364 for education.

To find out more about the type of problems advised on by your local Citizens Advice or to discuss any of the issues highlighted in this report please contact:
policy.cymru@citizensadvice.org.uk

⁵ [Pension Wise](#) is a government service set up to help people understand the pension options available to them offering offers guidance to help empower people to make informed decisions about their pension. Citizens Advice deliver face-to-face Pension Wise appointments. Pension Wise figures are excluded from this report.