

Advising in Austerity: The value of good advice

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About the research

Local advice offices, providing free-to-access advice to all, have been hit by the loss of legal aid contracts and up to 80% cuts in local authority funding. At the same time, the need for assistance with problems in areas such as debt, housing and welfare benefits is rising dramatically. High demand has led many agencies to increase capacity to triage clients according to need, and extend telephone and digital advice. Whilst these changes have allowed many agencies to increase the number of clients they reach, there has been a reduction in face-to-face advice and specialist support. In particular, services cannot meet the high and growing demand for help with complex welfare benefit problems.

As part of a collaborative project with Citizens Advice Bristol, researchers carried out interviews with directors of Citizens Advice in seven core cities in England¹. Interviews highlighted huge disparities around the country in local authority funding for advice, alongside a trend of declining capacity for specialist advice and assistance. Lack of resources for specialist casework is of particular concern. Expert specialisation in key areas of demand is being hollowed out through the combined loss of legal aid, local authority and pro bono provision.



Policy implications

- A national advice strategy is needed for England and Wales, to guarantee a minimum level of free legal advice provision and access across the country.
- New sources of stable funding are required to fill the gap left by the loss of legal aid and local authority funding cuts.
- The government review of LASPO² should also consider the effects of local authority spending cuts on demand for and access to advice and legal support. This should include the effect of the cuts on areas now out of scope for legal aid.
- Additional funds should be made available as a priority to enable advice services to help people affected by the roll out of Universal Credit.
- The future of funding and careers in specialist social welfare legal advice should be jointly considered by key stakeholders: advice sector networks, university law clinics, the Law Society, the Solicitors Regulation Authority and the Ministry of Justice.
- Projects engaging law students in pro bono advice provision should be extended. University Schools of Law should consider funding partnership projects with advice services to boost employability, student satisfaction levels and support access to justice in local communities.

¹ Liverpool, Bristol, Birmingham, Sheffield, Manchester, Newcastle-upon-Tyne and Leeds.
² Legal Aid, Sentencing and Punishment of Offenders Act 2012.

About Anna

Anna, 33, lives alone in a privately rented flat. She experiences anxiety, depression and occasional panic attacks which contribute to social isolation. Her medication can make her feel drowsy. She can't read well, so her neighbour, Fatima, helps with tasks like paying bills. Her flat is damp and the shower is broken, but her landlord ignored her request to address this, and she doesn't want to cause a nuisance by asking again.



OCTOBER 1 – Anna's Situation

- Had worked in a bakery for 18 months
- Dismissed as a result of her sickness record
- Owed pay and holiday, not well enough to pursue this
- Fell into arrears with rent and bills
- Anxiety increased, stopped opening post or going out
- Fatima helped Anna arrange a GP appointment and a meeting with Citizen's Advice

OCTOBER 15 – Citizens Advice Meeting 1

- Advisor asked council tax team to hold off enforcement
- Advisor asked landlord to hold off court action
- Provided a food bank voucher
- Claimed crisis money from council for electricity
- Checked Fatima could continue supporting Anna
- Booked another meeting

Potential outcome if Anna hadn't had access to meeting

- Mental health crisis
- Physical ill-health
- Eviction
- Bailiffs

Potential costs if Anna hadn't had access to meeting

- Hospitalisation and care
- Homelessness



OUTCOME

Nationally, Citizens Advice saves the Department of Health £47 million a year by reducing the use of health services.

Potential outcome if Anna hadn't had access to appointment

- No income
- Bank charges and risk of bankruptcy



OCTOBER 16 – General Advice Meeting 1

- Advisors assess Anna for benefits entitlement
- Start the relevant applications
- Discuss how Anna will manage financially until the benefits come through
- Informed bank of financial problems

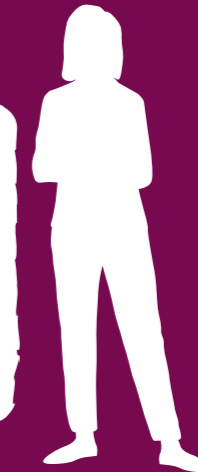
OUTCOME

Last year Citizens Advice secured over £2.6 billion in benefits entitlements for clients.

OCTOBER 26 – General Advice Meeting 2

- Advisor sends an interim financial statement to the bank, landlord and council tax team
- Advisor sends letters to the landlord, council and Environmental Health about the damp in Anna's flat
- Advisor writes to ex-employer to recover money owed and advises Anna she may be entitled to PIP (Personal Independence Payment)

Welfare rights advice ensures people in need can access the financial support they are entitled to. Every year over £13 billion in welfare benefits goes unclaimed. Access to social security payments prevents people falling into poverty and crisis. Local economies benefit too as monies are spent locally.



NOVEMBER 10 – Welfare Rights Meeting

- It took over two hours for the advisor and Anna to complete the PIP application form
- The questions asked to assess eligibility are personal and intrusive
- PIP applications are often initially turned down particularly when applicants complete them without help

OUTCOME

Standard rate PIP would increase Anna's income by over £55.65 a week.



JANUARY 19 – Update From Anna

- Anna contacts Citizens Advice to say that she has been granted housing benefit, council tax benefit and basic ESA (Employment and Support Allowance) pending her work capability assessment
- PIP application had been refused
- Arranges another appointment with Citizens Advice

Potential outcome if Anna hadn't had access to appointment

- PIP appeals are often unsuccessful if applicants are unrepresented

JANUARY 26 – Specialist Welfare Rights Meeting

- Welfare Rights caseworker prepares Anna for a PIP appeal
- Process will take around 5 months to get to tribunal

OUTCOME

More than 90% of PIP appeals where clients have been represented are successful.

Costs to public finances without Citizens Advice intervention

- Homelessness for 12 months on average **£20,128¹** (This figure includes the cost of a non-elective long stay in hospital, support from a high intensity accommodation based service, and processing by a Housing Option Team)
- A&E admittance **£117²**
- Council tax income lost **£900³**

Total £21,145.00

Costs with Citizens Advice intervention

- 5 hours and 50 minutes of meeting time **£216**
- 25 hours of adviser and caseworker follow up work between interviews **£900**
- Specialist Welfare Rights advisers time getting Anna's case to appeal **£362**
- Use of an interview room for 1 hour **£17.68**

Total £1,495.68

Using a Treasury approved model, Citizens Advice saved government and public services £430 million in 2016/17. It is estimated that their total social and economic value to society is over £2.8 billion. For every £1 spent over the year, Citizen's Advice clients benefited by £13⁴.

¹ Pleace, N. (2015) At what cost? An estimation of the financial costs of single homelessness in the UK. London: Crisis.

² Manchester New Economic Model

³ Based on calculation for Band A property in Bristol (£1200) – 25% single occupant discount.

⁴ Citizens Advice (2017) Modelling our value to society in 2016/17. Technical Annex. <http://bit.ly/2gRgx8n>

Key findings

- Advice services in core cities have undergone radical restructuring in the wake of extensive cuts. Many have managed to sustain or increase numbers of clients dealt with through telephone, online and assisted information work, but in-depth face to face advice appointments - vital for sorting clients' complex problems - have been reduced.
- Demand for advice and assistance exceeds service capacities in key areas, particularly welfare benefits. Help with benefit problems accounts for 30-55% of enquiries at local Citizens Advice, and this demand is crowding out clients with other issues. The roll-out of Universal Credit is expected to significantly increase the need for advice and support.
- Provision for specialist client support is significantly reduced. Loss of funding for specialist legal advice on housing, employment and welfare benefits following reductions in legal aid have been compounded by cuts and restrictions in local authority funding.
- Legal specialists underpin the volunteer effort through providing training, supervision and expert support on client cases, as well as directly advising clients on difficult cases.
- The future of specialist legal advice in key areas is uncertain. Careers in social welfare law may be undermined by the declining number of paid specialist roles, as law firms reduce specialisation in areas out of scope for legal aid.
- Law student placements and partnerships with university law schools can help meet demand for advice whilst enhancing student skills and employability. However, such projects require advice services to be able to provide appropriate supervisory support.



The research leading to these results has received funding from the European Research Council under the European Union's Seventh Framework (FP/2007-2013), ERC Grant Agreement N°284152- NewSites'.

In 2015/2016 The Citizens Advice Network delivered £361 million in savings to government and public services, and £2 billion in economic value to society. The majority of their work was carried out by 23,000 volunteers who it would have cost £114 million to employ.

Further information

Stories of three Citizens Advice clients, can be heard on the Advising in Austerity website: www.bristol.ac.uk/law/advising-in-austerity

The 'Advising in Austerity' project arose out of a four-year research programme – *New Sites of legal Consciousness: a Case Study of UK Advice Agencies* – which was funded by the European Research Council.

Details of this research can be found at www.bristol.ac.uk/law/research/advice-agency-research

Advising in Austerity: Reflections on Challenging Times for Advice Agencies edited by Samuel Kirwan, is available from Policy Press (www.policypress.co.uk/advising-in-austerity) – free copy available for voluntary sector organisations from the researchers (below)

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