

PIW 11

National Assembly for Wales

Communities, Equality and Local Government Committee

Inquiry into: Poverty in Wales: Strand 1

Response from: Citizens Advice Bureau



Response to Communities, Equality and Local Government Committee inquiry into Poverty: Strand 1, poverty and inequality

September 2014

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www.citizensadvice.org.uk

About Citizens Advice Cymru

1.1. Citizens Advice is an independent charity covering England and Wales operating as Citizens Advice Cymru in Wales with offices in Cardiff and Rhyl. There are 20 member Citizen Advice Bureaux in Wales, all of whom are members of Citizens Advice Cymru, delivering services from over 375 locations.

The twin aims of the Citizens Advice service are:

- to provide the advice people need for the problems they face
- to improve the policies and practices that affect people's lives.

1.2. The advice provided by the Citizens Advice service is free, independent, confidential and impartial, and available to everyone regardless of race, gender, disability, sexual orientation, religion, age or nationality.

1.3. The majority of Citizens Advice services staff are trained volunteers. All advice staff, whether paid or volunteer, are trained in advice giving skills and have regular updates on topic-specific training and access to topic-based specialist support.

1.4. Local Bureaux, under the terms of membership of Citizens Advice provide core advice based on a certificate of quality standards on welfare benefits/tax credits, debt, housing, financial products and services, consumer issues, employment, health, immigration and asylum, legal issues, and relationships and family matters.

1.5. The Citizens Advice Service now has responsibilities for consumer representation in Wales as a result of the UK Government's changes to the consumer landscape¹. From 1st April 2014 this includes statutory functions and responsibilities to represent post and energy consumers.

Summary of Key Points

1.6. Quality advice can assist people in avoiding problems that could increase their risk of poverty and disadvantage. We think this advice should be free, impartial and independent.

1.7. Citizens Advice Cymru believes it is important to consider fuel poverty in terms of the lived experiences of consumers, not just the different technical definitions and statutory targets.

1.8. We recommend that Nest (or its successor schemes) should routinely collect and publish self-reporting data from recipients about their ability to afford bills and heat their home after receiving measures. This will ensure that their experiences are at the heart of monitoring and evaluation, and that they drive the design and targeting of future iterations of the schemes.

¹ On 1st April 2013 responsibility for consumer representation was transferred from Consumer Focus to the Citizens Advice Service (including Citizens Advice Cymru) following the UK Government's review of the consumer landscape.

1.9. We believe greater consideration needs to be given to how the Welsh Government measures and monitors rural poverty/deprivation in order that the specific circumstances facing rural communities can be taken into account

1.10. We recommend that evaluations are published highlighting how Welsh Government strategies and plans specifically improve the outcomes for different disproportionately affected and disadvantaged groups.

Our response

2.1. In 2013-2014 the Citizens Advice Service in Wales assisted 134,000 individuals with over 337,000 enquiries. We also had over 1 million visits to our self-help website Adviceguide with 13,000 of these visits being to our Welsh language content.

2.2. By providing advice to people in Wales to help resolve their problems, and seeking to improve policy and practice, we aim to benefit society and help prevent poverty. We believe our advice has a positive impact on the health and well-being of our clients, reducing stress and anxiety, preventing relationship breakdown, promoting employment and empowering people to make wider positive changes to their life. A recent analysis of our impact² has shown that we helped solve the problems for 2 in every 3 of our clients.

2.3. We make public services more effective by sharing our insight with local and national partners to solve joint problems. Our unique and extensive knowledge of issues that affect our clients' lives, enable us to voice them at a local or national strategic level. This benefits more than just our immediate client base, by making society fairer. In addition to our campaigning to influence change, we empower individuals and communities to engage with society, and make a difference to the issues that matter allowing them to use their voice to shape services with a recent example being our Fit for Work blog³.

2.4. Citizens Advice Cymru manage a Welsh Government Communities First Shared Outcomes Project which began in October 2013 and is due to run until March 2015. This project supports all 36 of the 52 Communities First Clusters in Wales that previously lacked dedicated, community-based outreach services for debt advice, welfare benefits advice (including income maximisation) or financial capability provision.

2.5. In addition, Welsh Government also funds 'Better Advice, Better Lives' a project which seeks to maximise the incomes of people in deprived areas whose health is likely to be affected by poverty. Citizens Advice Bureaux provide advice through this project in co-operation with local health care teams across Wales. Every local authority area in Wales has at least one specialist adviser working across the community. In 2013/14, the Better Advice, Better Lives service saw over **20,000** new clients, with nearly **40,000** new issues dealt with. The combined 'confirmed gains' for clients during year for the project as a whole were over **£16 million**. The partnership operates differently according to local need, but may include:

² National Outcomes and Impact Research,
http://www.citizensadvice.org.uk/index/aboutus/impact_of_citizens_advice_service.htm

³ <https://blogs.citizensadvice.org.uk/blog/was-it-fit-for-work-for-you/>

- regular Citizens Advice Bureaux sessions at GP surgeries and health centres
- home visits to patients following health practitioner referrals
- advice sessions at community hospitals and mental health services.

2.6. We welcome the recognition by Welsh Government of the need for advice as an intervention to mitigate the impact of poverty but also would call for more recognition that timely, quality, community based, free and impartial advice on a range of matters can prevent poverty.

2.7. Quality advice can assist people in avoiding problems that could increase their risk of poverty and disadvantage especially in the areas of employment and relationship advice where an advice intervention can prevent circumstances that would cause poverty for example loss of employment or other detriment as a result of discrimination.

Fuel Poverty

3.1. Fuel Poverty is a clear priority for Citizens Advice Cymru, given the importance of a manageable energy bill to our clients who are often struggling with a number of other financial problems. From April 2014 our new statutory role brings a clear responsibility to advocate for all energy consumers on government policies which affect them. We therefore feel it is important to draw particular attention to our views around Welsh Government's action to tackle fuel poverty as part of this response.

Energy Efficiency schemes

3.2. The Welsh Government has a range of initiatives to tackle fuel poverty which aim to improve the energy efficiency of people's homes – referred to as 'retrofit'. The Welsh Government also has a wider strategy to tackle poverty, much of which is focused on reducing unemployment, and increasing incomes through benefit take-up advice.

There are three factors which cause a household to be in fuel poverty:

- high energy prices
- low/insufficient incomes
- an energy inefficient home

3.3. We acknowledge that the Welsh Government has few devolved policy levers to directly reduce the price of energy. Supporting energy efficiency measures and the provision of advice on reducing energy consumption or income maximisation are the most immediate means at its disposal to directly address fuel poverty.

3.4. By committing significant funding to improve the energy efficiency of people's homes, the Welsh Government has clearly recognised where it can make a difference. We also acknowledge that tackling fuel poverty is only one intended outcome of Nest and Arbed, alongside environmental and economic goals.

3.5. Citizens Advice Cymru believes it is important to consider fuel poverty in terms of the lived experiences of consumers, not just the different technical definitions and statutory targets. We have set out what we consider are the key 'symptoms' of fuel poverty from the consumer perspective.

- Inability to afford household energy bills

- Foregoing of other essential goods and services to pay energy bills
- Inability to heat their home to an acceptable level and
- Debt, stress, ill health, or other detriment caused or exacerbated by the above

3.6. We will be undertaking research this year to further understand which symptoms different consumer groups identify as being most important, and what kinds of support they say they want.

Monitoring, evaluation and future schemes

3.7. Whilst the Welsh Government has committed significant resources to addressing one of the causes of fuel poverty, we feel there is a need for more robust evidence that the schemes are addressing the symptoms. Nest is currently being evaluated, and a successor scheme being designed, so it is timely to consider how its success to date might be built on and improved.

3.8. Citizens Advice Cymru have a number of concerns that we have recently raised in our evidence to the Environment and Sustainability Committee, as part of their Inquiry into fuel poverty schemes that we feel it is appropriate to mention here. These relate directly to how Welsh Government monitors levels of fuel poverty in Wales and measures the impact of its activity to tackle fuel poverty.

3.9. Specifically we have concerns about the ongoing use of 2008 *Living in Wales* data as the baseline for fuel poverty projections in Wales. Using data from six years ago risks giving an increasingly out of date picture, and limits the Welsh Government's ability to respond to any emerging trends. It also does not give an adequate picture of where resources should best be targeted.

3.10. England and Scotland base their fuel poverty projections on the English Housing Survey and Scottish House Condition Survey respectively. Both surveys are run on a continual basis, taking two years to compile and report data from each. Whilst this doesn't offer an up to the minute picture, it does allow robust reporting of fuel poverty and other housing trends as detailed assessments are undertaken within each home.

3.11. Effective targeting requires robust and recent data from households in Wales, and a household survey would be the most preferable way to achieve this. However we recognise this may be prohibitively costly in the current climate, and therefore suggest that the existing Wales National Survey could provide an alternative.

3.12. In addition we recommend that Nest (or its successor schemes) should routinely collect and publish self-reporting data from recipients about their ability to afford bills and heat their home after receiving measures. This will ensure that their experiences are at the heart of monitoring and evaluation, and that they drive the design and targeting of future iterations of the schemes. It will also facilitate constructive scrutiny by partner organisations and allow comparisons of the effectiveness of the different approaches taken by the UK, Welsh, and Scottish Governments.

3.13. Not all consumers who struggle with energy bills are able to access energy efficiency measures. Crucially, given the possibility that increases in energy prices may have offset any savings delivered by Nest or Arbed, even those consumers who have received help in the past may still be in fuel poverty, or struggling with their bills.

3.14. Citizens Advice Cymru believes it is important to identify what other kinds of support can be made available to households who will be unlikely to benefit from energy efficiency measures in future. This will be another component of our research this year.

Rural Poverty

4.1. We agree with the Welsh Government policy that there should be a joined-up approach to rural poverty and that specific interventions under the Rural Development Plan and wider policy measures should be complementary to one another. We also agree with the requirement that Local Action Groups ensure, when drawing up local development strategies, that they are in harmony with other service delivery programmes, including the Single Integrated Plans of Local Service Boards, other European programmes and the Tackling Poverty Action Plan.

4.2. We note the Welsh Government's view that specific interventions through Local Action Groups will not, on their own, achieve the necessary change in rural poverty, and that targeted measures as set out in the Tackling Poverty Action Plan will also be essential.

4.3. We believe greater consideration needs to be given to how the Welsh Government measures and monitors rural poverty/deprivation in order that the specific circumstances facing rural communities can be taken into account. This may involve changing the weighting factors applied to each domain or including additional indicators. We are disappointed to see that fuel poverty is no longer proposed as one of the final indicators, particularly as energy prices have risen seven and a half times faster than earnings over the last three years.

4.4. While the key priorities cited from the Tackling Poverty Action Plan are vital for overcoming rural poverty, we are concerned that there is little about how they will be tailored to the specific needs and challenges of rural areas, either at national or local level, and we believe there is a lack of specific objectives and targets for rural areas against which progress could be measured.

Co-ordination

5.1. There are commitments in both the Targeting Poverty Action Plan and the Strategic Equality Plan to dovetail with each other due to the similar nature of their objectives and to avoid duplication and increase joint working. We broadly support this as a method of sharing good practice, ensuring allocation of limited resources is effective and targeted and that those groups who are disproportionately affected by or at greater risk of poverty due to a specific protected characteristic or other circumstance are provided appropriate interventions.

5.2. We recognise and support the move to Results Based Accountability and reporting on outcomes and value the information produced for the public such as outlined in the Programme for Government and detailed associated statistics on the Welsh Government website⁴ and also the Building Resilient Communities annual report⁵.

⁴ <http://wales.gov.uk/about/programmeforgov/equality/?lang=en>

⁵ <http://wales.gov.uk/docs/dsjlg/publications/140702-action-plan-annual-report-14-en.pdf>

5.3. We note, however, that there appears to be no substantive research or data publically available that shows the impact and outcomes for different groups of various Welsh Government strategies and plans in combating poverty and feel that this should be a key requirement to ensure that the aims of both the Tackling Poverty Action Plan and the Strategic Equality Plan can be effectively evaluated and monitored to ensure that there is no disproportionate impact on any particular group.

5.4. Finally, we would particularly like to reference the work of Local Authority Anti-poverty champions. Whilst we feel there are examples of good joint working between the nominated champion and the Third Sector including the local CAB in some local authority areas, in others there is no such relationship and we feel that a stronger relationship between Anti-Poverty champions and local CAB would engender better co-produced solutions to local issues.

5.5. Advice agencies possess a wealth of expertise on issues currently affecting the communities they serve, including access to work, the impact of benefit changes, digital access, financial services, housing and fuel poverty. The Citizens Advice service can provide statistical breakdowns of the issues on which people are seeking advice locally, as well as more qualitative information on the way in which people are being affected. For example, we can provide dashboards with maps showing client and advice facts and figures, broken down by local authority, and also maps showing bureau locations, client numbers and indices of multiple deprivation by Lower Super Output Area, showing demand for, and take-up of, advice services.

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