

## WRITTEN SUBMISSION FROM CITIZENS ADVICE SCOTLAND

Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 80 Citizens Advice Bureau (CAB) offices. These bureaux deliver frontline advice services throughout nearly 200 service points across the country, from the city centres of Glasgow and Edinburgh to the Highlands, Islands and rural Borders communities. Scottish citizens advice bureaux deal with over half a million new issues each year for over 200,000 clients.

### Key points in this briefing

- Between January and March 2014, bureaux in Scotland recorded 1,311 new food parcel issues – this equates to **one food parcel issue for every 50 clients who received advice**.
- The immediacy and severity of the situation facing many clients who seek advice is putting significant pressure on bureaux and their volunteers. Bureaux across the country have had to urgently amend their advice provision and make vital links with local sources of free food in order to meet the immediate needs of clients who cannot afford to eat.
- Bureau statistics show that clients with food parcel issues are more likely to be male, to be single, to have no care responsibilities, to be unemployed or unable to work, and to live in social rented housing. However, a significant minority have dependent children.
- Evidence from bureaux indicates that benefit delays and welfare reform are driving increased need for food parcels. Whether it is delays in payments, Jobseeker sanctions, sickness benefit reassessments or the Bedroom Tax, welfare changes are placing a significant burden on many low income families and making it difficult for them to put food on the table.
- While benefits were the main causative factor in food parcel need, a number of other issues, such as payday loans and zero hours contracts, cause those in employment to need support in the form of food parcels
- We believe that positive action on this issue must focus on addressing the causes of food poverty. This includes making urgent reforms to the sanctions regime, improving DWP administration, addressing the problems posed by zero hours contracts, and improving practices in the payday loan industry. However, many food banks and charities are providing vital support for those in need, and we welcome the recent funding awarded to them by the Scottish Government to assist their work.

### Do you have statistics on the use of food banks? What does this data show?

Between January and March 2014, bureaux in Scotland recorded 1,311 new food parcel issues – this equates to **one food parcel issue for every 34 clients that**

**receive advice.** Extrapolating this figure to the number of clients that seek advice at bureaux in a year would suggest that bureaux would see over 5,500 food parcel issues in a year.

### What are the demographics of the people that are using food banks?

Our experience is that people from all walks of life can experience a crisis that necessitates a food parcel referral. However, bureau evidence shows that there are certain client groups that are more likely to need a food parcel, including men, the unemployed, those unable to work due to a disability, and those living in local authority housing. The majority of clients are single without caring responsibilities, although a significant minority have dependent children.

Figure 1 outlines the main profile characteristics of clients that need to make applications for charitable support at a bureau. The majority of these applications relate to food parcels, although the figure also contains clients who make applications for cancer support, armed forces veterans support, and various other charities. The figure provides a good indication of the profile of clients who require additional support.

**Figure 1: Profile of clients making applications for charitable support**

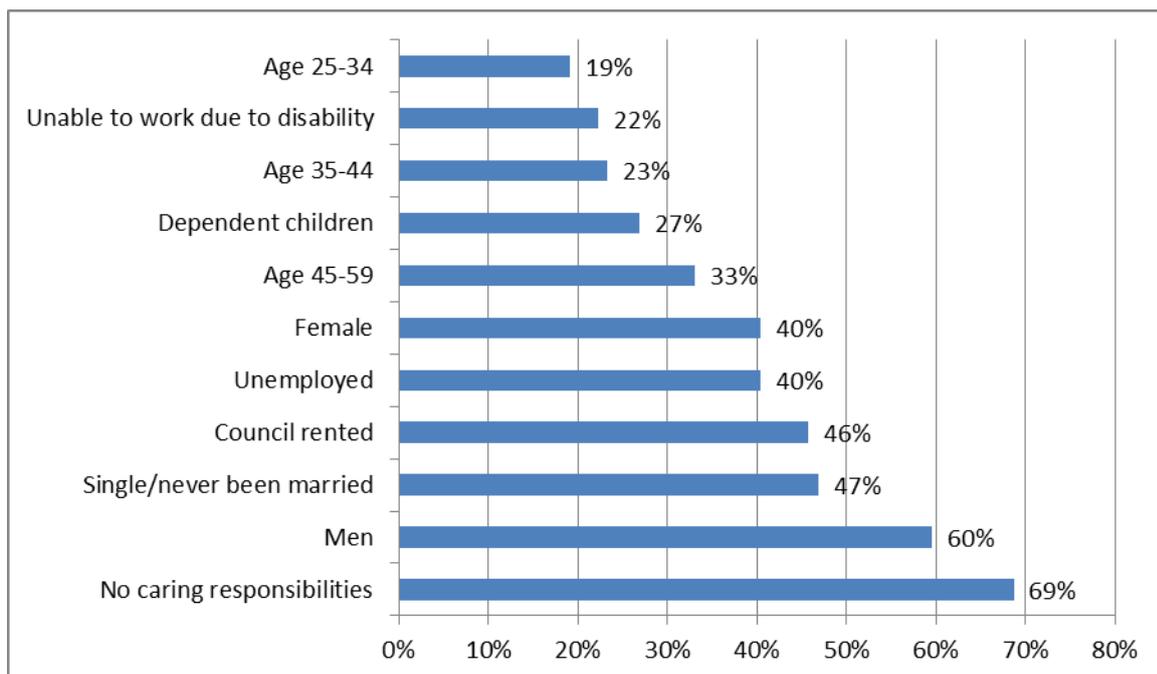


Figure 1 shows that clients seeking charity support are more likely to be men (60% of clients), are likely to be single (47%), live in local authority rented property (46%), and are likely to be unemployed (40%). Around two-thirds do not have any caring responsibilities. However, a significant minority of these clients are unable to work due to a long-term disability (22%) and/or have dependent children (27%). Around 11% are in employment, while there is a roughly even spread of ages.

We can undertake more limited analysis of the profile of clients who specifically have a food parcel issue. Based upon a sample of around 760 clients with a food parcel issue:

- Men are more likely to be given this type of support (1 food parcel issue per 35 male clients that seek advice – compared to 1 in 79 for female clients).
- Clients in this position were more likely to be unemployed (1 food parcel per 12 unemployed clients), unable to work due to a disability (1 in 26), and to live in council rented accommodation (1 in 18).

**If there has been an increase in food bank use what are the reasons behind this? Are there a variety of factors at play?**

Our evidence indicates that the rise in food bank use is related to demand rather than supply. The increase in the number of food banks across the country is responding to the need that already exists and is growing, rather than creating a demand that otherwise wouldn't be there. Evidence from citizens advice bureaux, and from a range of other organisations, strongly suggests that the major factor in creating this demand has been benefit reforms and poor administration

In particular, the new sanctions regime for JSA and ESA claimants has been a significant factor in the rise in food bank use. Recent statistics from the DWP showed that 53,270 JSA sanctions were applied to jobseekers between October 2012 and June 2013 – around 220 every day in Scotland. Over 4,200 sanctions were 'high level' sanctions meaning a sanction of at least 13 weeks. Evidence from bureaux shows that many of the clients seeking advice had reached a crisis point where the disruption in their income as a result of the sanction had left them in a desperate situation.

- A West of Scotland CAB reports of a 20 year old client who sought advice after her JSA claim was sanctioned. The sanction was imposed without any notice on her usual payment date, meaning that she had no opportunity to put aside any money to last her the two weeks before she could get a hardship payment. The client received a sanction because she hadn't filled in her online job search properly as she was unable to log on due to a problem with the system. The client had written down her job searches, but this wasn't deemed to be enough. The client had already been given a food parcel and wanted to appeal the sanction decision.
- An East of Scotland CAB reports of a client who was sanctioned for four weeks after he was 20 minutes late for an appointment. The client is currently caring for his 15 year old sister after their mother started a custodial sentence. The client currently has no money and doesn't know how he will provide for his sister. The client was late for his appointment on the same day that his sister started to live with him. The client arranged for a food parcel to be picked up by the client, asked for a mandatory reconsideration of the sanction, and helped the client to apply for a Crisis Grant.

The Trussell Trust estimates that around 30% of people accessing their services do so because of 'benefit delay'. This type of issue makes up a significant proportion of benefit issues that bureaux advise on with clients seeking advice on over 13,000

benefit payment issues in 2012/13. Even where the target time for processing a claim is met (for example, two weeks for JSA claims), this gap between need and payment can be a long time to cope without support. In other cases, claimants can be left without payments for long periods with little indication of when they can expect payment.

- A South of Scotland CAB reports of a client who has been waiting a month for Jobseekers Allowance (JSA) payments after making a claim. The client is living off Child Benefit, using it to pay for food, heating, and gas for her partner and two children. As her JSA claim has not been processed yet, her Housing Benefit and Council Tax Benefit claims are also unable to be processed. The client has an appointment at the Jobcentre and has been told that if she doesn't attend she will not receive JSA. However, the client has no money to get to the Jobcentre.
- A North of Scotland CAB reports of a client who has been suffering hardship due to poor Jobcentre Plus administration. The 55 year old client, who has had cancer and a stroke, has had two ESA applications lost by JCP in the last two months. As a result the client has not had any income for seven weeks and has needed two Crisis Grants and a referral to a food bank.

The ongoing reassessments of disability and sickness benefit claimants is having a significant impact on the income and health of tens of thousands of people across the country. This includes 170,000 sickness benefit claimants being reassessed for ESA, with estimates indicating that 115,000 will lose entitlement as a result. ESA is by far the most common issue that clients seek advice on at bureaux, and there is evidence that the reassessment is putting vulnerable claimants in food poverty. The reassessment of current DLA claimants for Personal Independence Payment (PIP) is beginning and we are already seeing claimants put into significant hardship as a result.

- An East of Scotland CAB reports of a client who was assessed as fit for work after claiming Incapacity Benefit for a number of years. The client suffers from insulin-dependent diabetes, has peripheral neuropathy, and has had two heart attacks. The client says that she is not eating properly as she cannot afford to after the drop in her income. The client claims to be having frequent blackouts due to her poor diet and diabetes.
- Citizens Advice Direct reports of a 17 year old and his family who have been severely affected by delays in his reassessment for Personal Independence Payment (PIP). The client's son has just turned 17 which meant that his DLA claim has ended and he needed to re-apply for PIP. As a result, all of the benefits they were able to claim to look after their son, including carers allowance, have now been stopped pending the PIP assessment. They have been told that it might take up to 16 weeks for a decision to be made. In the meantime, the loss of funds means that the family are now reliant on charitable donations from their local church, who are helping them with food, fuel and rent. However, this is not enough to cover basic family needs and they are falling into greater debt.

Whilst the majority of clients that require food parcels are not in work, bureaux are reporting a growing problem of clients who are in employment who require additional support. Around 11% of clients that need to make an application for charitable

support are in employment. Bureaux have advised clients who have fallen into significant financial difficulties due to a change in their working hours or due to the financial uncertainty caused by working on a zero hours contract.

- A West of Scotland CAB reports of a client whose husband has had his hours of work as a security guard cut. The client, who also works, approached the bureau looking for help with food. They have been using credit cards to pay for bills and the mortgage, but are approaching crisis point.
- An East of Scotland CAB reports of a client who works on a zero hours contract. He has only had three days' work in the last month and will only be receiving about £150 in wages. The client has been to the Jobcentre and been advised that the only way they can help is if he signs on for Jobseeker's Allowance (JSA). The client was referred to a food bank.

Another factor in the growth in demand for food parcels is the practices of payday lenders. The Office of Fair Trading estimated the sector to be worth around £900 million in 2008, but recent media reports have suggested that there are now 240 lenders in a sector worth between £1.7 and £1.9 billion. A range of organisations have raised concerns regarding the high rates of APR on payday loans, the charges and interest applied when customers are unable to make a payment, and the use of the continuous payment authority to take money from customer's accounts. A growing number of clients are turning to food banks after poor practice from a payday lender.

- A West of Scotland CAB reports of a client who experienced significant financial difficulty after taking out a payday loan. The client, who receives Incapacity Benefit, took out a payday loan of £150 three months previously. He repaid it but was offered another loan. The client now owes £300 and is paying back £194 every two weeks out of his £220 income to roll the loan over. The client does not have enough money left for food or power.
- A North of Scotland CAB reports of a client who has no money for food and fuel after a payday lender took all the money in his account after his benefits were paid in. The client took out the loan a few months previously, but had missed some recent payments. The client sought advice on accessing food, as his girlfriend is pregnant and they have no access to any funds.

**What do organisations working in this area feel about the UK Government claim that there is no causal link between increased food bank use and welfare reforms, in particular the strengthened sanctions regime?**

As is detailed in the cases above, we believe that our evidence shows a clear link between the need for food parcels and welfare reform, with the new sanctions regime being a major factor. Our evidence suggests that many clients are falling through the social safety net and are having to turn to charitable support as a result.

### **What are the personal impacts of food bank use on individual's health and wellbeing?**

Many clients facing food poverty seek advice when they are in a desperate situation, with some having experienced hardship for a number of days or even weeks before seeking help. For these clients, the experience of being in food poverty is hugely damaging, affecting their health and relationships with family.

- A West of Scotland CAB reports of a single parent with diabetes whose JSA claim has been sanctioned for four weeks. The client has a six year old child. Her mother has been providing them with food until now, but she is also claiming benefits and can't afford to keep this up. The client has already completed a Hardship Form, but the Jobcentre would not give her any help as to where to hand it in or send it. A local community centre was able to provide some food if she came straight down to them.
- Clydesdale CAB reports of a client who was sanctioned for a month just before New Year as he was assessed as not looking for working over the Christmas period. The client feels that this was an error by the Jobcentre as he feels he met his requirements. The client lives with his partner and his three year old child and the sanction has placed the family in a very vulnerable position. The client is currently relying on family and friends to access food.

### **What additional strain is being placed on Scottish local authorities and third sector organisations?**

The immediacy and severity of the situation facing many clients who seek advice is putting significant pressure on citizens advice bureaux and their volunteers. Bureaux across the country have had to urgently amend their advice provision and make vital links with local sources of free food in order to meet the immediate needs of clients who cannot afford to eat. Bureaux advisers, who are mainly volunteers, are advising clients who are clearly experiencing a crisis but who have little available to them other than a referral to a food bank. This puts significant strain on both the client and the adviser.

### **What positive steps would organisations like to see to improve this situation in Scotland?**

There are many organisations across Scotland that provide vital support to those experiencing food poverty, whether it is through advice, income maximisation, charity support, or access to food. We welcome the Scottish Government's decision to provide funding to mitigate the worst impacts of welfare reform, and the recent announcement of funding for organisations providing food parcels. Without support from these organisations, the consequences for thousands of people in food poverty would be far worse. A positive step would be to ensure that these organisations are able to provide support across the country (and that there are no areas where support is not available), and that strong links are built between different types of support to ensure that a person in crisis receives holistic support.

However, we believe that the most effective action on this issue must focus on addressing the *causes* of food poverty. This includes making urgent reforms to the sanctions regime, improving DWP administration, addressing the problems posed by zero hours contracts, and improving practices in the payday loan industry.

**Citizens Advice Scotland  
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