



Introduction

- 1.1 Citizens Advice Cymru welcomes the opportunity to provide written evidence to the Equalities, Local Government and Communities Committee to help inform one of its poverty inquiries examining the lessons learnt from the Communities First programme.

We would also welcome the opportunity to discuss any of the areas raised in this paper with the Committee.

- 1.2 Citizens Advice is an independent charity, founded in 1939, covering England and Wales. In Wales we have a network of 19 local Citizen Advice, all individual charities, staffed by nearly 800 dedicated volunteers and staff.
- 1.3 We provide advice on a range of everyday issues to anyone who needs it, from debt, money and welfare benefits to housing, employment, discrimination 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.
- 1.4 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.
- 1.5 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.

1.6 During 2016-2017 local Citizens Advice in Wales helped **over 114,000 people** with **more than 436,000 problems**, the biggest issues being benefits and tax credits (42% of all problems) and debt (30% of all problems). Other common advice areas included financial services and capability; employment and housing.

Nearly half of all clients we helped in 2016-2017 (49%) are disabled or have a long term health condition (compared to the population average of 23%). Internal analysis has also found that around two-thirds of our clients in Wales are living below the poverty line.

Citizens Advice and Communities First

2.1 Since October 2013 Citizens Advice Cymru has managed the Welsh Government Communities First Shared Outcomes Project. Current funding is until the end of March 2018. The project provides independent advice, advocacy and representation to vulnerable people living in **42 Communities First Clusters**.

This includes:

- providing advice on a range of social welfare issues (benefits, debt, housing, employment, and family)
- providing both generalist and specialist advice, up to casework level, to help people reduce and manage their debts, and support people to access the benefits to which they are entitled
- delivering financial capability services to enable people to manage their finances better
- helping people to reduce their household costs e.g. energy, water, other utilities.

2.2 In 2016/17 we were able to help a total of **15,850 clients** through this project in **111 outreach venues**. During this time, as a consequence of the advice intervention we helped clients manage or write off debts of **over £11.8 million** and also access **over £13 million** in benefits they were entitled to.

Outside of the Citizens Advice Cymru project, local Citizens Advice in Bridgend, Denbighshire and Pembrokeshire have also provided services to Communities First Clusters, via direct commissioning by the Lead Delivery Bodies in those areas. In recent years however, and since the Welsh Government's decision to phase out Communities First, only funding in Bridgend is continuing until March 2018. Funding in the latter two areas has ended.

Effectiveness of Communities First

3. What worked well

- 3.1 There are a number of advantages of area-based approaches, such as Communities First, to tackling poverty:
- targeting specific areas with known high levels of deprivation means the chance of reaching people in greatest need is increased
 - people living in those areas are able to benefit from a wide range of activity and support
 - providing services locally/going to where people are reduces the need for potentially costly travel and makes it easier for people, especially those with mobility problems or care commitments (or those who may be concerned about travelling too far) to access the advice they need
 - it helps raise awareness of local services to people who may be unaware of available help or reluctant to seek help.
- 3.2 Citizens Advice Cymru largely supports the 'bottom up' approach that has been adopted by the Communities First programme as it helps to ensure that service delivery is based on local need and that there is community input into the development of projects and activities designed to help local people. It also helps to prevent duplication of services between different providers.
- 3.3 Our Shared Outcomes Project demonstrates the cross cutting way that a range of organisations can work together to meet the objective of tackling poverty in Wales. Local Citizens Advice offices have established effective partnerships with the Communities First Cluster Lead Delivery Bodies / Cluster Managers, enabling them to target and deliver Citizens Advice services in isolated and deprived areas where previously there was no community-based advice provision.

They have also developed more effective referral mechanisms with other organisations which have evolved over the course of the project including Sure Start, Families First, Flying Start, Supporting People, organisations working with people experiencing domestic abuse, disability organisations, credit unions and food banks. Working collaboratively ensures the client is able to access longer term and holistic services to meet their overall needs rather than a more limited intervention, thereby helping to break a cycle of dependence. It also enables organisations to develop a greater understanding of the different services each provide. **A case study example of how this has worked in practice has been provided by Citizens Advice Merthyr Tydfil - please see the Appendix to this response for details.**

4. What didn't work well

- 4.1 Citizens Advice evidence helps to highlight how people living in poverty experience the same type of problems regardless of where they live, notably low incomes, debt, unemployment, a lack of suitable housing, and paying more for many everyday goods and services (frequently referred to as the 'poverty premium').
- 4.2 The outcomes of our Communities First Shared Outcomes Project are very positive however, one of the main drawbacks of any anti-poverty initiative that is largely 'place-based' is that people in need living outside the defined areas are excluded from the support that is available. This can happen when boundaries lie within the same towns/cities (potentially causing divisions within some communities), but is particularly problematic in rural areas with more dispersed populations. Rural Wales may be, on average, better off than the rest of Wales, however there remains significant pockets of deprivation in many rural communities which are unable to access the funding support available through Welsh Government programmes such as Communities First. The impact of living in poverty is also exacerbated in rural areas due to a range of factors including poor physical access to services, digital exclusion and higher living costs.
- 4.3 Another drawback of adopting a community led approach to service delivery is that it relies heavily on the strength of local leadership and can lead to inconsistency across different areas. Feedback from our project advisers in some areas identified staff turnover in other organisations and poor communication as contributory factors that have hindered progress.

5. Impact of the end of Communities First

- 5.1 While official statistics show the economy is improving, the employment rate for working age people in Wales is the second lowest of all UK nations (with only Northern Ireland being lower)¹. Having access to advice, specifically debt, benefits, employment and housing advice, is often necessary to break down the barriers for people to get a job, remain in employment or return to work after a period of sickness.

Ongoing welfare reforms, and the impact of the UK leaving the European Union, also mean many households in Wales will continue to face economic and financial uncertainty for many years to come. The need for advice to support people through such change and uncertainty has therefore never been greater.

¹ ONS Regional Labour Market Statistics (April 2017)

- 5.2 We welcome the Welsh Government's prioritisation of advice and support services, including the recent funding to Citizens Advice Cymru for continuation of the Communities First Shared Outcomes project until March 2018. We are however calling on Welsh Government to give full consideration to any unintended consequences that may occur following the ending or redesigning of existing programmes for reducing poverty and building resilient communities in Wales.

For example, the recent change of emphasis in Families First funding has resulted in a reduction of valued advice services provided by 10 local Citizens Advice across Wales. Families First funding employed 15.6 full time equivalent (FTE) advisers, providing services to vulnerable clients in a range of subjects including specialist debt and welfare benefits, in-depth and supported financial capability, and income maximisation. This included 9 welfare rights specialist caseworkers and debt and financial capability follow-up specialists. Local Families First provision looked at the specific needs in the area and sought ways to deliver appropriate services which meet the needs of families and their children, many of whom have chaotic lives. Work undertaken via this funding stream allowed advisers to work with families over a longer period of time and included home visits as well as a full casework service. We believe the need is still there for this type of service, which actively demonstrates much better outcomes for the client. **A case study example has been provided by Citizens Advice Caerphilly and Blaenau Gwent - please see the Appendix of this response for details.**

- 5.3 A key feature of our Communities First advice provision is that we deliver this by going out into communities and working with other partners to increase capacity and access for people most at risk of living in low income households, particularly disabled people, lone parents, certain ethnic minority groups and families with disabled children.

When the programme comes to an end our delivery in outreach venues will be hugely reduced in many of Wales' most disadvantaged communities. Current funding pays for delivery in 105 outreach venues across 42 clusters. This represents nearly 40% of all our outreach venues in Wales. It would also result in a reduction in advice caseworkers overall - our Shared Outcomes Project currently funds 50 FTE local Citizens Advice staff.

- 5.4 If we are unable to provide targeted services in local communities, using a similar delivery model to Communities First, we would anticipate greater and increased dependence on our limited core services (face to face and telephone) which are already overstretched. Our core services are also at risk from reductions in local authority funding.

In addition to this, the programmes that Communities First offer often identify a client's need for our services which otherwise may have been missed, and vice versa. Some people feel more confident in approaching services that have been recommended locally, as opposed to accessing a more centralised service. A reduction in a localised outreach service could also mean many clients will not be able to access our core service due to a lack of transport, finance, digital exclusion, caring responsibilities or work commitments. Others may be less likely to seek advice at all, resulting in problems going unresolved or escalating.

- 5.5 Citizens Advice Cymru believe advice services should remain an integral part of any successor programme to Communities First. The role quality assured advice services play in poverty reduction, improving employability and breaking the cycle of debt and dependency should continue to be recognised as a key contributor to meeting the goals of the Well-being of Future Generations (Wales) Act. Our evidence demonstrates the value of advice in improving people's overall well-being - 4 in 5 Citizens Advice clients said advice has improved their lives including reducing stress and improving finances, while 2 in every 3 clients have their problem solved².

In designing any new poverty reduction programmes the inclusion of advice services needs to be explicit and financially supported with effective networks established to ensure that people receive the right help at the right time from an independent and appropriately qualified source. A lack of valuable advice provision locally, which is targeted at some of the most vulnerable people within communities, could result in an increase in poverty, debt, homelessness, family breakdown and displacement.

We also believe such a programme should meet the support needs of all individuals facing disadvantage, without restricting access to particular geographic areas. We therefore welcome the Welsh Government's announcement that their new approach will not be limited by the postcode people live in.

For further information regarding this response please contact:

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² [Helping people find a way forward - a snapshot of our impact in 2015-16](#)

Appendix:

Communities First Shared Outcomes Project Case Study: Citizens Advice Merthyr Tydfil

Our client is a Polish national who came to live in the UK with her three dependent children. Her partner was already living and working here with a right to reside so they were able to access the UK benefit system. They had live claims, as a couple, for tax credits, child benefit and housing benefit/council tax reduction.

The client was however forced to split from her partner after being abused physically. At that point, she sought advice from Focal Point, a local project run to help migrants living in the UK, and they referred her to Bawso. It was Bawso who referred the client to Citizens Advice Merthyr Tydfil for benefit advice. She could no longer rely on the benefit claims that were in place, as they were in her ex-partner's name. This resulted in her having a very restricted income to support herself and three children. She was also referred to Merthyr Valleys Homes (MVH) for social housing help.

Citizens Advice Merthyr Tydfil completed an assessment of her circumstances at their Communities First outreach at Merthyr Valleys Homes (MVH). They deliver this outreach as general appointments in the morning and a drop-in service in the afternoon for Polish/Portuguese/Czech clients. Focal Point are available at the same time as the drop-in to ensure both organisations can work together to provide access to translators. Our adviser discussed the client's options and provided practical assistance to help her apply for all the benefits she was entitled to, which included jobseekers allowance (JSA), housing benefit and council tax reduction, as well as changing her tax credits from a couple to a single person claim. Due to delays in processing her benefit claims, our adviser worked closely with MVH to ensure the client's tenancy was maintained during this period.

Our client desperately wanted to find work to both stabilize her financial situation, and to allow her and her children the opportunity to stay in the UK; the place that they were starting to call home. As the client is an EEA national this also meant her JSA and housing benefit claims were time-restricted. Citizens Advice Merthyr Tydfil therefore referred her to the local Communities First job clubs. Having informed MVH about her situation, particularly in relation to her EEA status, the client was subsequently offered a part time role within the company as a cleaner. This saved the client having to worry about her finances and provided stability going forward.

Citizens Advice Merthyr Tydfil continued to support the client regarding her benefit entitlement following her change in circumstances. She now attends an English Language course through help from Focal Point and says her overall life has greatly improved. This is a fantastic outcome for the client which could not have been achieved without the intervention of all the organisations involved.

Families First

Case Study: Citizens Advice Caerphilly and Blaenau Gwent

Our client is in her mid-thirties sharing her Caerphilly Homes property with her partner and two children. She had previously worked for a major high street bank but has been unable to work for two years due to severe physical health problems. She has also previously suffered serious domestic abuse and health professionals believe she is suffering with PTSD.

Caerphilly Council referred the client to the Citizens Advice Caerphilly and Blaenau Gwent 'Confident with Cash Project', which was funded by Families First. At the point of referral the client had numerous priority and non-priority debts, including rent arrears, and was facing eviction. She was also suffering with low moods and a lack of self-esteem, and was not motivated to manage her money. Building trust was therefore an essential part of the programme at the start. All appointments were home visits. This enabled a relaxed and informal approach to sessions and one-to-one interactive learning. As the client found it difficult to concentrate for long periods of time, frequent shorter visits were made.

The client participated in the programme for 10 months. During this time as well as receiving help to manage her debts she received intensive financial capability support, based on her specific needs. This included drawing up a workable budget, help to manage her energy bills (which resulted in the household switching energy suppliers, saving £68 a month), and working through her benefit entitlements.

The client was subsequently referred to a specialist benefits adviser working on the Citizens Advice Better Advice Better Lives project, who helped her complete the relevant application forms. She was awarded an annual Personal Independence Payment (PIP) of £7,267 (£139.75 a week - enhanced rate daily living and mobility), and was also found to be eligible for a Housing Benefit disability premium. Her partner was also entitled to claim £62.10 a week Carer's Allowance.

Once her medical conditions are manageable, the client hopes to return to work, opening her own craft business. They therefore also discussed self-employment and new starter help/support.

By the final session it was clear the client felt motivated and confident in her abilities to move forward. She successfully completed the Confident with Cash financial capability programme achieving all competences (skills, knowledge and behaviour) at Developing Level of the Adult Financial Capability Framework. The client said "My adviser has been amazing. I didn't expect this much help or such excellent service .. [the advisers] treated me as an equal .. My life has changed for the better since their help and advice. Thank you".