

Evidence submitted from Citizens Advice¹



Call for evidence, APPG on Reform, Decentralisation and Devolution in the UK:

“Better Devolution for the Whole UK”

1. Summary:

- As a national service rooted in every community, Citizens Advice is in a unique position when it comes to devolution. Our local Citizens Advice offices see what happens when public services don't work properly or are difficult to navigate; we help clients to navigate a complex and changing welfare system.
- For Citizens Advice, devolution needs to improve people's journey through public services, including those relating to health, welfare and employment, and to secure better outcomes for them and their community.
- For the benefits of devolution to be fully-realised, people will need assistance both through the proposed changes and then to understand, navigate and access the new, post-devolution arrangements, which our pilots examining the migration of people on to Universal Credit confirm. Citizens Advice is keen to help provide that assistance.
- Citizens Advice can share its extensive evidence base with local decision-makers to help inform what problems a proposed devolutionary deal needs to address, and to provide feedback on the local effects of subsequent changes, such as the differing impacts of localising Council Tax Benefit. Our clients are typically on lower incomes than the average and are also likely to be significantly affected by the changes inherent in any devolutionary settlement.

¹ This is a revised and updated version of Citizens Advice's submission to the Communities and Local Government Select Committee's call for evidence on devolution, which focused on Greater Manchester's Devolution Deal and the Cities and Local Government Devolution Bill.

- With local government facing tight financial constraints, Citizens Advice can assist in delivering the “preventative agenda”, of helping resolve complex, overlapping problems at an earlier and less financially costly stage, reducing the call on local public services. An example is co-location of Citizens Advice outreach services in GP surgeries across Derbyshire that help to tackle debt and money worries, thereby contributing to improved mental and physical well-being.
- Citizens Advice believes that general principles should be developed to inform any devolutionary deal rather than impose a narrow devolution model. These principles should focus on how any change will improve residents’ lives, their appropriateness for tackling local problems, and how people will orientate their lives to the new arrangements, including considering what support will be necessary to best achieve this.

2. Introduction to Citizens Advice

- 2.1. The Citizens Advice Service is a network of over 300 individual member charities along with the national Citizens Advice charity. We provide free, impartial, face-to-face advice from 600 local Citizens Advice offices and almost 2,000 outreaches in communities across England and Wales, including GPs’ surgeries, hospitals, community centres, county courts and magistrates’ courts, and mobile services. The service aims:
- to provide the advice people need for the problems they face
 - to improve the policies and practices that affect people’s lives.
- 2.2. In 2014/15 the Citizens Advice service in England and Wales advised over 2.5 million people on 6.2 million problems. In 2015, Citizens Advice also took on responsibility for delivering face-to-face guidance for the Government’s Pension Wise service and for the Court-based Witness Service.
- 2.3. By helping people to solve problems, we change lives; this, in turn, represents considerable value for communities, the public purse and society as a whole.²

² The value of the Citizens Advice service: our impact in 2014/15:
https://www.citizensadvice.org.uk/Global/CitizensAdvice/Impact/Citizens%20Advice_Impact%20Report_2015_Digital.pdf

3. **Citizens Advice and Devolution**

- 3.1. In helping our clients deal with problems in their daily life, Citizens Advice regularly engages with statutory services; we know where problems lie within the system and want to work with Government and councils to resolve them. As a service embedded in hundreds of community locations, Citizens Advice welcomes the Government's recognition of the importance of local context for policy solutions. As the Government and local authorities develop devolution deals, they need to be engaging with the advice sector to look at where the system is currently failing locally, or is overly complex, and to assist them in developing better customer journeys.
- 3.2. Citizens Advice recognises the challenging fiscal and service environment councils are in; the current public finance context makes this likely to continue for the foreseeable future. Further, local authorities are often the principal funders of local Citizens Advice charities. As a solutions provider, Citizens Advice can constructively engage with local government to tackle problems and help improve outcomes for residents even against very tight financial constraints. Much has been said about the "preventative agenda", of tackling problems earlier, when they are less costly both financially and, most importantly, at a human level. Citizens Advice, by helping clients resolve their issues, not only makes lives better but can help local government and health authorities make those savings that are being demanded of them.
- 3.3. Beyond helping clients to make sense of the new local government landscape, our advice work will contribute towards achieving some of the other goals of devolution, particularly around helping people back into work and helping save public money. For instance, in 2014-15, we estimate Citizens Advice specifically helped save the Department for Work and Pensions £163 million in reduced out-of-work benefits, the Department of Health £47 million by reducing the use of health services, and councils £57 million by helping prevent cases of homelessness.³
- 3.4. Citizens Advice has enormous experience advising clients through every part of the benefits system, including making that transition back to work. We also provided advice and support in the Universal Credit pilots. Similarly, by helping improve lives, advice saves public money by reducing the call on public

³ The value of the Citizens Advice service: our impact in 2014/15: https://www.citizensadvice.org.uk/Global/CitizensAdvice/Impact/Citizens%20Advice_Impact%20Report_2015_Digital.pdf, p. 30.

services. By helping to resolve problems at an earlier stage, such as by helping avoid or reduce homelessness or by tackling debt and finance worries that are causing ill-health, particularly mental health problems as 52% of clients seeking debt advice have an identified mental health condition⁴, Citizens Advice should be seen as a key partner in making devolution work for local residents and their communities. This preventative work is one of the key reasons for our co-location in GP surgeries, such as across Derbyshire; 80% of clients whose debt problems are addressed report being less stressed, depressed or anxious and over 50% report improved physical health.⁵ Further, with 20% of GPs' time typically spent on non-health matters, at a cost of around £400 million a year, helping clients resolve their underlying financial problems helps free-up valuable time that doctors can use to address other patients' health needs.⁶

- 3.5. Citizen Advice is a part of the fabric of our local communities; we support people to understand their rights and in empowering them to demand their recognition. With the incorporation of Consumer Futures into Citizens Advice, we also play a key role in supporting consumers. We help to leverage in further services in localities, making local authority funding go further. Our evidence base - of the problems facing individuals and communities - also informs our campaigns for change locally and nationally, helping ensure that the most vulnerable are given a voice and improving the public accountability of local services.
- 3.6. Of the devolution deals to date, Manchester's deal - often called "DevoManc" - is by far the most prominent and is regarded as something of a template or model for future devolution deals; a view the Cities and Local Government Devolution Bill reinforces. However, the adoption of a single devolutionary model for the whole country seems to run counter to the internal logic of devolution: different areas will have different needs, and these needs will not necessarily be best met by adopting the same devolution arrangements.
- 3.7. That devolution can encompass both the Manchester deal of 10 local authorities and its attendant health authorities, and Cornwall can encompass

⁴ Money Advice Service and Optimisa Research (2014): The Money Advice Service Debt Advice Review 2013/14: <https://www.moneyadviceservice.org.uk/files/optimisa-final-quant-report-jul-2014.pdf>

⁵ Local leadership, new approaches: How new ways of working are helping to improve the health of local communities, (London: Public Health England and Local Government Association, February 2015), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407060/2014712_Local_leadershi_p.pdf, pp. 12-13.

⁶ Citizens Advice: A very general practice: how much time do GPs spend on issues other than health? (2015), <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/health-and-care-policy-research/a-very-general-practice-how-much-time-do-gps-spend-on-issues-other-than-health/>, esp. p. 11.

just one county unitary authority, suggests that no “one size fits all” model is really appropriate when discussing devolution. Instead, the key success measure starts with securing better outcomes for residents and their communities. Indeed, an immediate consequence of Cornwall’s deal was a reconsideration of a proposed out-sourcing of children’s services to enable integration of social care services with local health services. Similar issues - health, housing, welfare, employment - may emerge in every deal but the actual needs and, hence, the answers are likely to differ deal by devolution deal.

- 3.8. Citizens Advice is ready to be involved early in devolution discussions and decision-making; we can offer our data to help councils and their health partners ensure that post-devolution, local services better meet their communities’ needs. We can also bring our experience of dealing with the problems associated with localising welfare to date, notably the localisation of Council Tax Benefit; avoiding such problems and ensuring that any devolutionary settlement is appropriate for a community are vital if the predicted benefits of devolution are to be realised.
- 3.9. One route forward may be that rather than developing and imposing a standard devolution model, attention should be focused on developing general principles to inform future devolution deals. Such principles could include that:
 - The new arrangements must demonstrably better serve local residents.
 - The proposed devolution settlement, including its framework for accountability of decision-making, must be appropriate for that locality and its needs.
 - The new arrangements should be easily understandable, accessible, and navigable by local residents.
- 3.10. Consideration should also be given as to what advice and support needs residents will have through the proposed changes and in the post-devolution world. For instance, advice is a core part of the picture in addressing problems that stop people engaging in the workplace and Citizens Advice does much to improve the fabric of local communities, both through advice and our use of volunteers.

- 3.11. The Government's commitment to both devolution and greater integration of welfare services (especially primary health care and social care) reinforces the argument for an emphasis on prevention.
- 3.12. The challenge of devolution is to ensure that its predicted benefits - especially integrated health and social care - can reach those to whom they can do most good. Effective provision of advice services within the devolved settlement not only will help steer citizens around the new structures but can, in helping them to take control and tackle problems, result in some of the very savings sought by devolution's advocates. Citizens Advice estimates that the benefits of its advice provision include: £361m of savings to local and national government (fiscal benefits), £2 billion in improvements in health, well-being, participation and productivity, £2.6 billion in income gained through benefits and debts written-off and consumer problems resolved.⁷
- 3.13. One such example of integrated local care is the partnership of Citizens Advice with GPs' surgeries in Derbyshire. Public Health England and the Local Government Association recently highlighted the effectiveness of this partnership in their report *Local leadership, new approaches* (February 2015)⁸. Public Health England reported that:
- 3.13.1. "In 98 GP practices across Derbyshire some of the most vulnerable people can get help from the Citizens Advice Bureau (CAB) to deal with a range of problems, including housing, benefits and debt. It's a long-standing programme, originally commissioned by the NHS and now by Derbyshire County Council.
- 3.13.2. "Users can book appointments with a CAB adviser at their GP surgery and the location makes a huge difference, believes Julie Hirst, public health specialist at Derbyshire County Council. 'Because it's in the GP surgery, it's accessible and that's really important for a rural county like ours. Also, because GPs can refer people to the service, it gives those people a nudge, who might otherwise be reluctant to ask for help. The doctor validates it and that's important.'

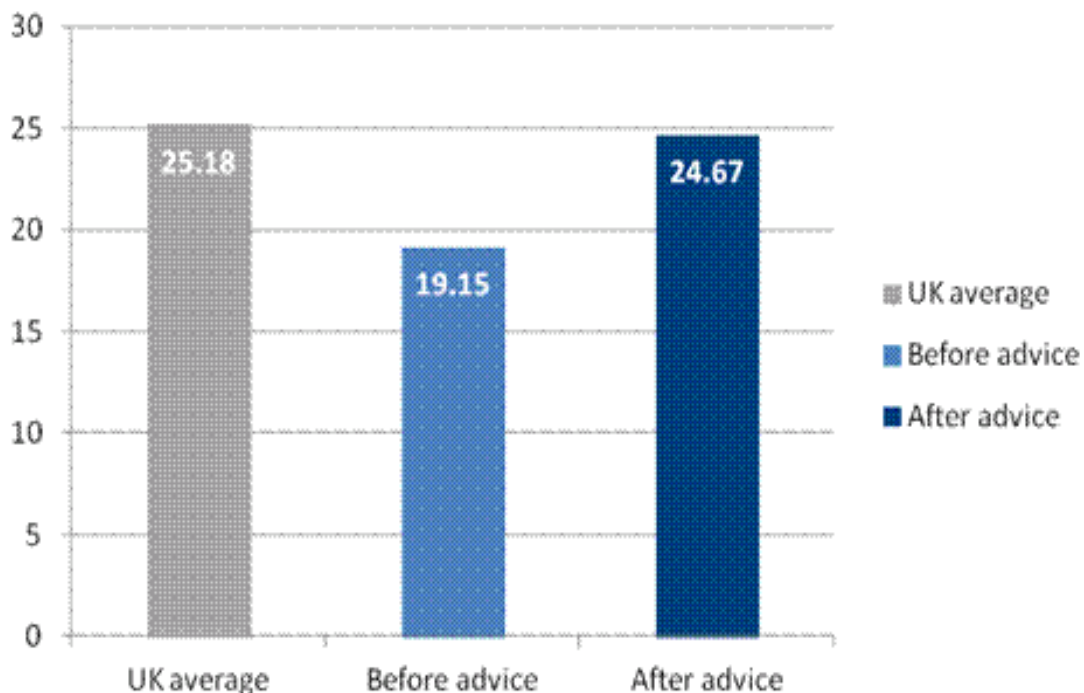
⁷ The value of the Citizens Advice service: our impact in 2014/15, https://www.citizensadvice.org.uk/Global/CitizensAdvice/Impact/Citizens%20Advice_Impact%20Report_2015_Digital.pdf

⁸ Local leadership, new approaches: How new ways of working are helping to improve the health of local communities, (London: Public Health England and Local Government Association, February 2015), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407060/2014712_Local_leadership.pdf, pp. 12-13. See also, "Prescribing Advice - a pathway to health and saving money", Citizens Advice Briefing Note, https://www.citizensadvice.org.uk/global/migrated_documents/corporate/af-f-prescribing-advice-a-pathway-to-health-and-saving-money-feb2015.pdf

3.13.3. "In 2013/14 nearly 6,800 people used the service and additional income of over £10m was secured for patients and families, while debts of over £4.5m were rescheduled or written off. Every £1 invested by Derbyshire County Council generates an additional £12.53 for clients and the same £1 helps clients to manage £2.34 of debt."

3.14. The close link between health and well-being is increasingly being recognised; both the Public Health Outcomes Framework⁹ and the NHS Outcomes Framework¹⁰ include indicators for well-being, whilst the Department of Health suggests that subjective well-being can add 4-10 years to life and is associated with reduced mortality rates, including "a 29% reduction in cardiovascular mortality in healthy populations, and a 23% reduction in mortality in patients with renal failure."¹¹ In 2014/15, Citizens Advice piloted use of the scale used by the Department of Health, the Warwick Edinburgh Mental Wellbeing Scale (WEMWBS), to monitor outcomes for clients following advice. Results from a sample of 143 clients interviewed 4-6 weeks after receiving advice are shown below, illustrating how advice helps restore clients towards the WEMWBS average - and, in doing so, this will reduce the call on local mental health services.

Average WEBWMS score before and after advice for UK:



⁹ Department of Health (2012), *Public Health Outcomes Framework*

¹⁰ Department of Health (2011), *NHS Outcomes Framework*

¹¹ Department of Health (2014), *Wellbeing, why it matters to health policy*, p. 9.

- 3.15. Devolution will only be regarded as successful insofar as it better helps people to navigate their local public services, receive the right benefits, and improve their quality of life. Drawing on our experience of supporting people through welfare changes such as the replacement of Council Tax Benefit with localised Council Tax Support schemes and the transition to Universal Credit, Citizens Advice is clear that any devolution deal must put in place appropriate, local support mechanisms to guide people through the newly-devolved public services and benefits landscape.
- 3.16. Our research on managing migration to Universal Credit¹² found that personalised support is key to unlocking help. In March 2013, Citizens Advice established its Managing Migration pilot to understand the nature and support our clients will need in making the transition to Universal Credit (UC). Over 6 months, we tested our approach with several local Citizens Advice, collecting data on over 1,700 UC relevant clients between March and June 2013. We found that 9 in 10 were not ready for UC and will need help in managing the transition, in one or more of the following capability areas: monthly payments, budgeting, banking, staying informed and getting online. After receiving advice and support from their local Citizens Advice, over half of clients have improved skills in all five key areas. Our research also suggests that it's not just the vulnerable that will need support in navigating changes.
- 3.17. Research by the Institute of Fiscal Studies on the introduction of Council Tax Support (CTS) schemes¹³ found that localisation of what had formerly been a universal benefit, Council Tax Benefit, was giving rise to very different contact levels by clients across the country seeking support from Citizens Advice about the implications of their local CTS scheme. Where a local authority had not introduced any minimum council tax payment, by July-September 2013, queries were 6% lower than in October-December 2012 in contrast to a 4% rise in those that had introduced a minimum payment of up to 8.5% and over 20% where local authorities had introduced minimum payments over 8.5% of full council tax levels.
- 3.18. The benefits of devolution will only start to be fully realised if people affected can understand and access those new, localised arrangements. Citizens Advice can bring its unique insights, gained from helping thousands of people

¹² "New research shows personalised support is key to unlocking help for "9 in 10" not ready for Universal Credit," press release 12 December 2013: <https://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/new-research-shows-personalised-support-is-key-to-unlocking-help-for-9-in-10-not-ready-for-universal-credit/>

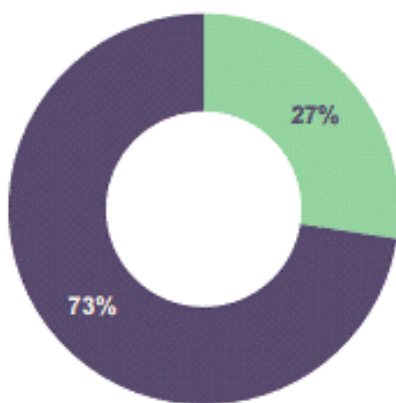
¹³ Council Tax Support Schemes in England: What Did Local Authorities Choose, and with What Effects? Institute for Fiscal Studies, January 2014: <http://www.ifs.org.uk/comms/r90.pdf>, esp. pp. 26-27.

through previous changes, to help local authorities and other partners better ensure proposed devolution changes will keep sight of those needing assistance.

- 3.19. Indeed, the profile of our clients mirrors those who are most likely to be affected by changes resulting from devolution and welfare reform. Across England and Wales, our clients are almost five times more likely to live on a low income than the average, with almost 1 in 5 (17%) of the 8.6 million individuals living on a low income using our services.¹⁴

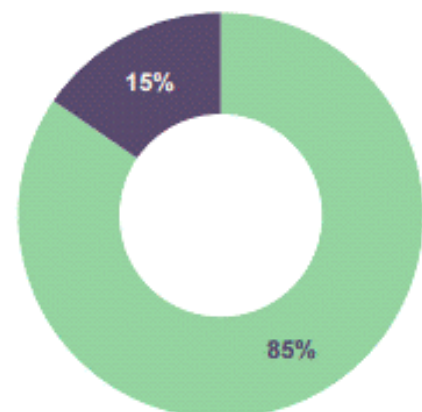
Proportion of Citizens Advice clients in poverty compared to the population of England and Wales:

Local Citizens Advice



■ Above poverty line
■ Below poverty line

England and Wales population



■ Above poverty line
■ Below poverty line

- 3.20. Of our clients, 8 in 10 do not reach the Joseph Rowntree Foundation's Minimum Income Standard (MIS).¹⁵ The MIS establishes the household income required for individuals to maintain an 'adequate' standard of living and local authorities use the proportion of households not reaching this standard as an indicator of health inequalities, since it captures those unable to eat healthily, maintain adequate accommodation or properly participate in society.¹⁶

¹⁴ Table 3.18ts: Number of individuals living in households with less than 60 per cent of contemporary median household income, by region or country, United Kingdom. <https://www.gov.uk/government/statistics/households-below-average-income-19941995-to-20132014>

¹⁵ <http://www.jrf.org.uk/topic/mis>

¹⁶ <http://www.instituteofhealthequity.org/projects/marmot-indicators-2014>

- 3.21. The profile of our clients across Greater Manchester suggests a clientele slightly poorer than our national average. Nationally, 62% of our clients have monthly incomes less than £1,000 and 82% have monthly incomes of less than £1,500; by contrast, 68% of Greater Manchester Citizens Advice clients get less than £1,000 and 86% less than £1,500.¹⁷
- 3.22. Given the profile of the clients local Citizens Advice deal with, we can provide the leadership of devolution settlements with something of a feedback loop, identifying where and why problems are emerging, offering improved performance assessment and accountability. As a service, we are used to piloting proposed welfare changes and helping decision-makers to understand the implications of those changes on the ground and what needs to be amended as new governance and delivery mechanisms are implemented. With our frontline evidence gathering and real-time insight, we should be seen as a valuable partner for local authorities embarking on devolution deals.
- 3.23. Devolution is intended to reduce the call on the public purse by enabling councils to better promote their local economy, especially by giving local authorities greater flexibility over programmes to get people back to work. For it to be effective in tackling unemployment, any devolution settlement must ensure that appropriate consideration is given as to how provide the right support for job-seekers; those with mental health conditions, for instance, will need very different support to others.
- 3.24. One of the key roles of local Citizens Advice currently is helping individuals understand how to complain and challenge issues affecting them, such as benefits, housing or tax. With increased local accountability emphasised as one of the key benefits of devolution, it is important residents are supported to better avail themselves of the post-devolution structures to complain for improved outcomes or to highlight any shortcomings in those new structures. In this respect, Citizens Advice is keen that the Government ensures that other legislation, such as the proposed Public Services Ombudsman, is aligned and shaped alongside the measures proposed in this Bill.
- 3.25. Regardless of what structure devolution might take in a locality, devolution's promised benefits will fail to materialise for the relevant local authorities and other public sector partners if people are left without sufficient assistance to effectively navigate the new arrangements.

¹⁷ These figures are indicative as the Greater Manchester figures are based on a lower sample (16%) of clients than the national average (25%) of clients.

4. **Concluding Remarks**

- 4.1. For Citizens Advice, devolution is an opportunity to improve the outcomes of local residents from local public services, but that improvement is contingent on effective and appropriate support being available to guide residents through the changes and make sense of the post-devolution landscape. The structure of our client base significantly mirrors those most likely to be affected by welfare and other changes emerging from devolution. Being rooted in their communities, local Citizens Advice are well-placed to assist these (and all) residents with the changes and ought to be seen by Government and local authorities as a key partner in any devolution deal.
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