



**Providing advice**

**Resolving problems**

**Campaigning for change**

**Newsletter** November 2009

# Northumberland Citizens Advice Bureaux



## From rationing to recession – Citizens Advice Bureaux turn 70

From 4 September 2009 to the end of August 2010  
Citizens Advice will be celebrating 70 years of service.

The service started life as an emergency war service to  
look at how the needs of a civilian population in war time  
were best met. War was declared on 3 September 1939 and the first 200 bureaux opened the  
very next day.



Wartime austerity and enemy action saw bureaux helping people trace missing relatives, helping  
them get back on their feet after being bombed out of their homes and losing everything,  
arranging evacuation for mothers and children, and sorting out problems with rationing.

By the 1960s, a social revolution was taking place and new-found affluence began to replace  
austerity for many. But the consumer boom brought new problems as people realised they could  
'buy now, pay later', and housing problems and divorce dominated CAB caseloads.

As a new millennium dawned bureaux were still helping people cope with the fallout from two  
recessions, mass unemployment, a repossessions crisis and unprecedented access to easy  
credit. Debt and benefits became the biggest issues brought to bureaux by far.

As part of the 70<sup>th</sup> anniversary  
celebrations, Elizabeth Garrett,  
Training Officer at Alnwick CAB  
took part in a sponsored tandem  
skydive at Langar airfield in  
Nottingham with 69 other willing  
volunteers, to raise money and  
awareness of our charity status. Liz  
has succeeded in raising £590 for  
Alnwick bureau.



**By far the biggest problem reported by CAB advisers in Northumberland over the past few months has concerned accessing crisis loans through the dedicated telephone help line. Crisis loans are discretionary interest-free loans from the social fund which are intended to meet urgent needs when no other help is available. Many people who visit their local CAB for help getting a crisis loan are in desperate circumstances, finding themselves with nothing at all to live off.**

*A woman with two children who had been a victim of domestic violence, had left her home on the day she came to a CAB. An adviser tried to arrange a crisis loan for her to cover her immediate expenses, but despite numerous telephone calls was unable to get through. The client was distressed and upset. She had no access to money, and no way of being able to travel to a hostel for the night. A crisis loan would have provided her with money for essential expenses, including travel, for the next few days.*

*A married man of 26 with 3 children under the age of 6 is currently in receipt of statutory sick pay. Any money going into his bank account goes towards paying for direct debits and bank charges and he is finding*

*himself unable to repay previous rent arrears. He had been trying to apply for a crisis loan, but was unable to get through or was cut off. The family had absolutely no money for milk, food or nappies.*

*A man, who has just started a new job, found that he wasn't due to be paid until the end of the week. He has been left with no food, and no petrol to get to work. A CAB adviser tried 3 times to contact the Crisis loans office but was unable to talk to anyone. The man was left with no money.*

These problems are compounded by the cost of getting through to the helpline on a mobile phone and the cost of picking up the loans, which are usually delivered to the nearest Jobcentre Plus.

## **Prescription costs**

The Northumberland CABx have just published a report looking at the cost of prescriptions. We are particularly concerned about the financial and health implications to people in receipt of Incapacity Benefit, Disability Living Allowance and contributory Employment and Support Allowance. Despite suffering from long term health issues and therefore requiring a large amount of medication, people in receipt of these benefits do not automatically qualify for free prescriptions. The result is that people either go without part or all of their medication, or they are pushed further into poverty and have to do without something else. Another concern is the promotion of help that is available to people who are struggling to pay for their prescriptions. Pre payment certificates and the NHS Low Income Scheme are designed to target help to those who require a large number of prescriptions, or who are on a low income. But our research has found that few people who would benefit from these schemes are actually taking them up. The report recommends that prescriptions should be free to those in receipt of IB, ESA and DLA and that the cost of the prescription pre payment certificate should be halved, and also that action must be taken to promote the uptake of the low income scheme and the pre payment certificate.

For a copy of the report, please contact Rachel Turnbull [spdo@alnwickcab.cabnet.org.uk](mailto:spdo@alnwickcab.cabnet.org.uk)

## Focus on Young People

Some issues recently presented to the CAB highlight the financial difficulties that many younger people face. For example, single people under the age of 25 only receive £50.95 per week Job Seekers Allowance which increases to £64.30 when the claimant reaches 25. They may also fall foul of the single room rent restrictions, whereby single people under the age of 25 who rent from a private landlord will normally only be entitled to enough housing benefit to cover the average cost of a single room in a shared house in their area. This can lead many young people into an early cycle of debt and hardship which is sometimes very difficult to escape.

*A woman of 22 got into financial difficulties following the death of her baby. She is in arrears with her rent, council tax, water rates, electricity, and also has to deal with bailiffs due to non payment of a TV license fine. She is in receipt of Housing Benefit, but has a shortfall in her rent on which arrears are now accumulating. She receives £50.95 per week Income Support, but has £19.47 deducted weekly to pay for arrears and a social fund loan. She pays £10 for electricity and £10 for her gas each week and £5.50 per week for her TV license, leaving her with £6 per week to live on. She is feeling desperate.*

*A 23 year old had been working full time for a local business, but was made redundant due to a fall in sales. He immediately signed on for JSA and also received housing and council tax benefit. Due to the single room rent restrictions he is now facing eviction because he has been unable to afford his rent. Although he has been looking for alternative accommodation he is finding it difficult to find anything cheaper than where he is currently living.*

*A 23 year old who is living alone in rented accommodation is receiving Housing Benefit which is £14 per week less than her actual rent. To afford the top up on her rent and continue to*

Research by the Financial Services Authority has found that more than two-thirds of young people are not planning ahead. Further findings reveal that 80% of young people are in debt by the age of 21.

The FSA have developed a website aimed at 16-24 year olds, to help them better understand money matters. It covers topics such as getting money, keeping money and spending money. For more information follow the link.

[www.whataboutmoney.info](http://www.whataboutmoney.info)

*pay for day to day living expenses, she started using a credit card and took out a loan through a doorstep lender. She has now found herself in thousands of pounds worth of debt and feels intimidated by the collection policies of some of her creditors.*

A short film made by young volunteers on how the Citizens Advice service can help young people who are struggling to manage money and debt problems can be found by following this link.

[www.youtube.com/citizensadvice#p/a/1/wkbjUrhmNCE](http://www.youtube.com/citizensadvice#p/a/1/wkbjUrhmNCE)

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