

CITIZENS ADVICE BEDFORD



COVID-19 CRISIS: Monitoring Impact on Clients and Issues raised

**Update 2
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This is the second update on a project monitoring the impact the Covid-19 crisis, and Citizens Advice Bedford (CAB) response to it, has on both clients and the issues they raise as the crisis develops. With the end of April there has now been a full month of operating with remote access only which provides an opportunity to assess how the closure has impacted on clients. This report therefore focuses on comparing the monthly data for 1st January – 30th April to give a picture of the overall impact to date.

1. The Wider Picture

- 1.1 On 16 April the Office of National Statistics (ONS) published a survey about the impact of the Covid-19 crisis was having on the general public in terms of their attitudes and concerns¹. 56% of people stated that their work was affected in some way and 31% that their household finances had been affected. Of those whose work had been affected just over 35% had seen their hours reduced, 15% has seen their business face closure (or actually closed) and 5% had been made redundant. Of those whose income had been affected, nearly 73% had seen it reduced, 22% were struggling to pay bills and nearly 32% were using savings to help cover living costs.
- 1.2 The survey also showed the impact on people's general wellbeing with nearly 66% reporting that it had been affected. Of these two thirds said that they were feeling anxious and stressful and a quarter said that it was affecting their mental health.
- 1.3 On the same day as the ONS survey results were released, the Government announced that the travel and work restrictions would continue until 7th May. In response to this there was increased debate about the impact of the measures on the longer-term economy; the prospect of an economic depression and increased unemployment; concern about the lack of an exit strategy and growing criticism of the Government' handing of the crisis.
- 1.4 In the previous report mention was made of anecdotal evidence about the increased demand for Foodbank support during March. The figures from Bedford Foodbank² show the extent of the increase (Chart 1). The need for food vouchers over March as a whole, increased by nearly 50% compared to the same period in 2019, and this increase was concentrated in the last week or so as the lock-down came into effect. In effect the demand upon the Foodbank more than doubled for that period, which is what staff and volunteers at the centre were reporting at the time.

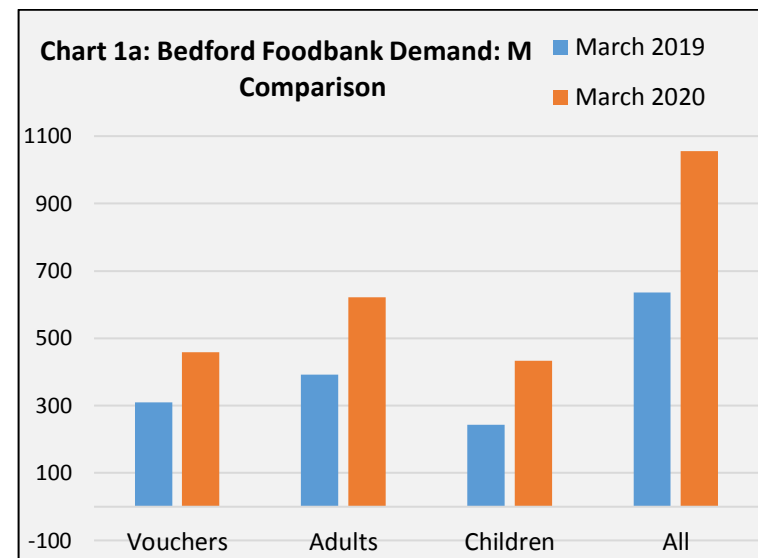


Chart 1b	March 2019	March 2020	% Change (% increase in 2020 over 2019)
Vouchers	309	459	48.54
Adults	392	622	58.67
Children	244	433	77.46
All	636	1055	65.88
Adults as % of all	61.64	58.96	
Children as % of all	38.36	41.04	

¹Coronavirus and the social impacts on Great Britain: 16 April 2020, Opinions and Lifestyle Survey (Covid-19 module), 27 March to 6 April 2020 (ONS)

² Data courtesy of Bedford Foodbank (email: info@bedford.foodbank.org.uk)

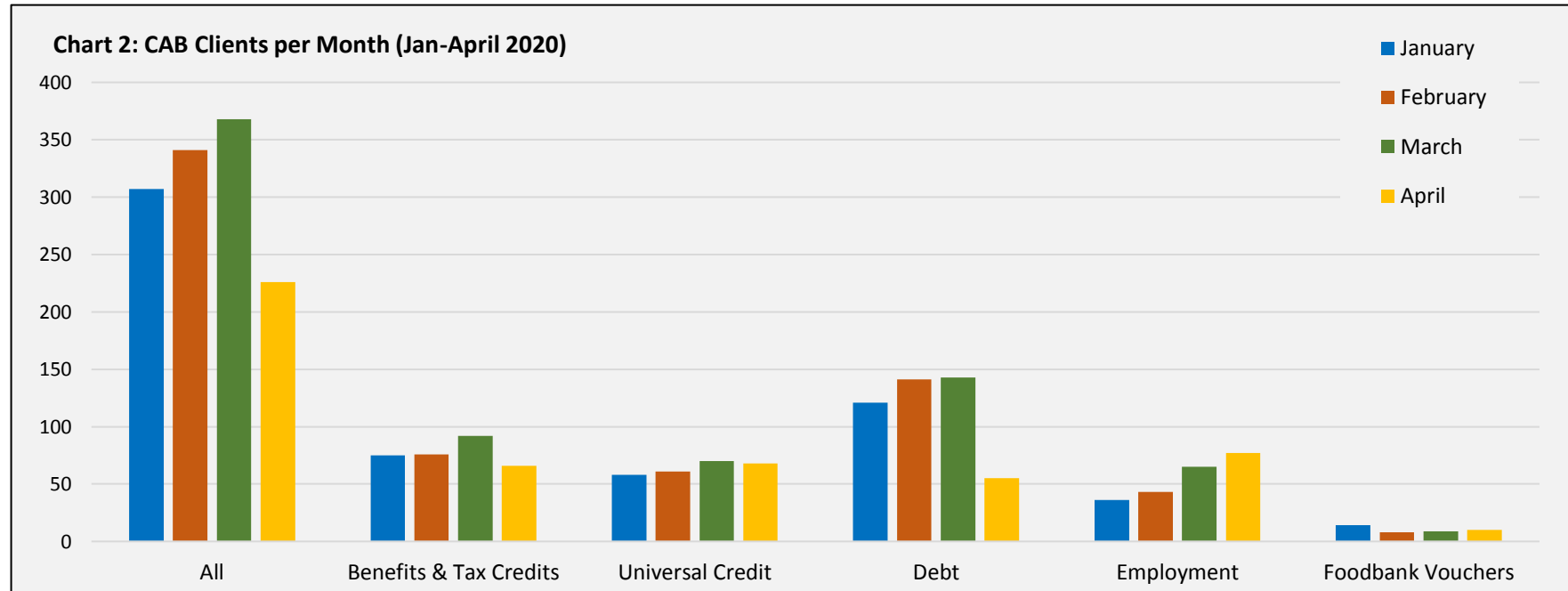
- 1.5 The increase in the number of children supported compared to adults, up by 77% compared to 58%, shows that this increase in demand came significantly from families rather than single people or adult couples. More recent feedback from Bedford Foodbank indicates that while demand has fallen back from being doubled in late March, to running at about 50% above “the norm” through late April.
- 1.6 This picture of a spike in demand during late March with a focus on families is supported by national figures released by the Trussell Trust on 1st May
- The Trussell Trust reports a soaring 81% increase for emergency food parcels from food banks in its network during the last two weeks of March 2020, compared to the same period in 2019 – including a 122% rise in parcels given to children,³*
- 1.7 Also on 1st May, Citizens Advice published the results of a survey⁴ of 2,016 people. This reported that a quarter of respondents had missed, or expected to miss, a payment, and 20% had missed payments of rent, council tax or telecoms bills. Arrears in these payments can have the most severe consequences with eviction, bailiff action or disconnection possible. If these results are extrapolated across the rest of the population, 11 million people could face problems when protections put in place (e.g. Property possessions and face-to-face bailiff recovery have been paused) end. Currently these measures are not due to continue beyond the end of June.

³ Source Trussell Trust Press release 1st May 2020. <https://www.trusselltrust.org/2020/05/01/coalition-call/>

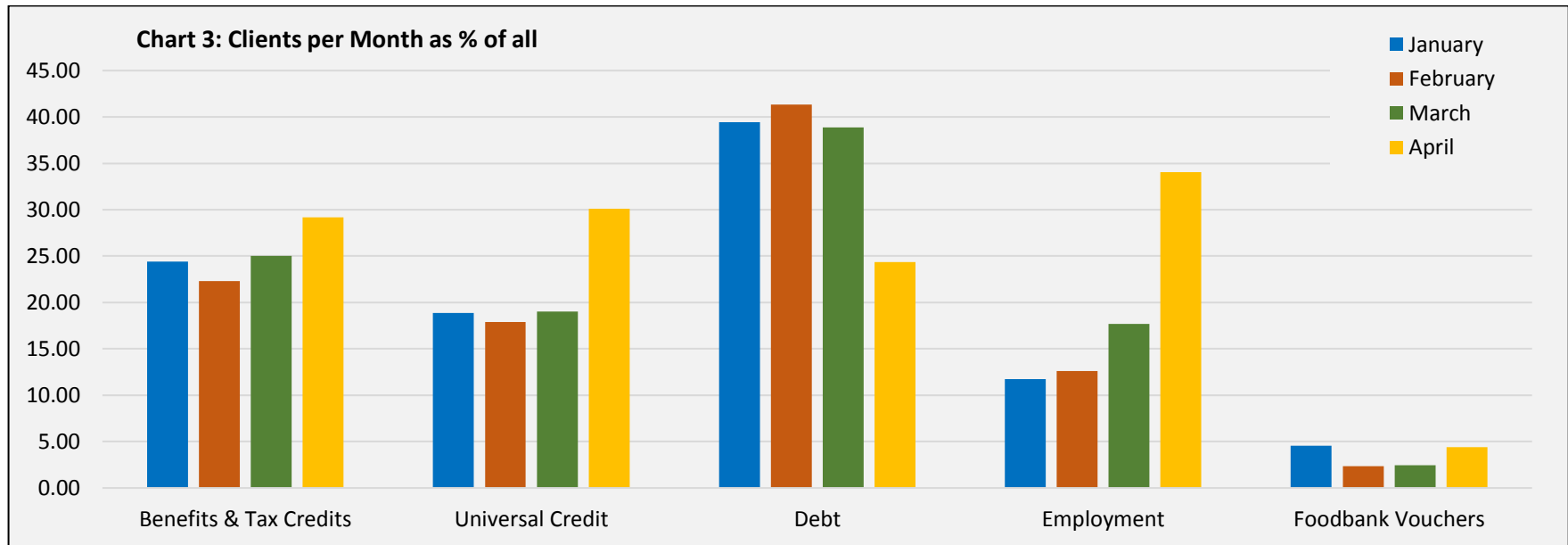
⁴ *Near the cliff-edge: how to protect households facing debt during COVID-19*. Citizens Advice, 1 May 2020

2. Monthly Overview

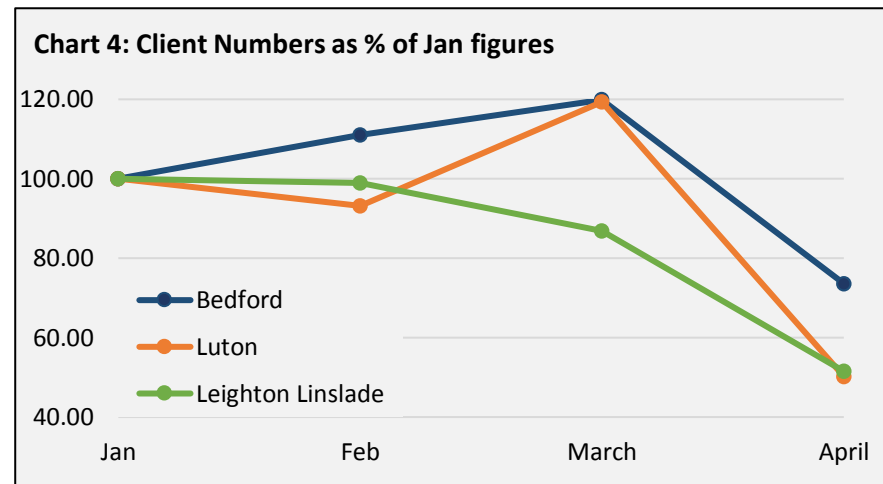
- 2.1 The impact of closing the Citizens Advice Bedford (CAB) office and ending face-to-face interviews can be clearly seen in the overall April figures (Chart 2) and this will be discussed further in section 3 below. However, although overall numbers are down this is not the case with all the major issues. As observed in the previous report, clients with Debt issues has dropped significantly but there has been an increase in Employment issues (linked to the furloughing and laying-off of staff during the lock-down): so much so that Employment clients in April (77 clients) outnumber Debt clients (55). Universal Credit has retained its numbers (70 in March, 68 in April), again probably due to the increase in claims noted in the previous report.



- 2.2 This shift in emphasis of the client caseload is more apparent when you look at the numbers as percentages of all clients (Chart 3): Universal Credit has jumped from just under 20% of all clients to 30% and Employment has gone from 11-12% in January/February to nearly 18% in March to a third of all clients in April (see Appendix Table 1 for full monthly figures).
- 2.3 Although still very low, Foodbank referrals have also increased as a proportion of all clients.

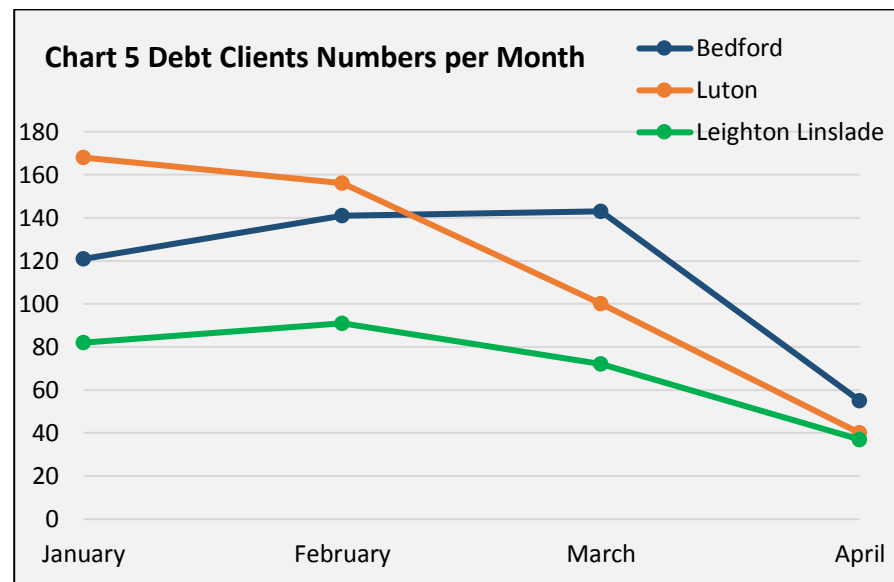


2.4 Is this position any different from other Citizens Advice offices? A comparison with two other local office groups, Luton and Leighton Linlade, suggests it is not. All three have broadly similar client numbers in January (CAB 307; Luton 424; Leighton Linlade 357). Chart 4 records the changes in the respective client figures as percentages of these January numbers. There is some divergence in March as the pandemic, and the Government's response, take hold but all three have falling client numbers in April. Taking January as the base. CAB's client numbers have fallen by about a quarter compared to a half for the other two offices (For full figures see Appendix Table 2).



2.5 The fall in the number of Debt clients noted in Paras 2.1-2 above is similar across all three of the office groups. As can be seen in Chart 5, irrespective of the Debt client numbers over January – March, all three have broadly similar numbers of clients in April. Leighton Linslade has had the smallest drop but they started from a lower base, though their drop was also in proportion to the drop in overall client numbers.

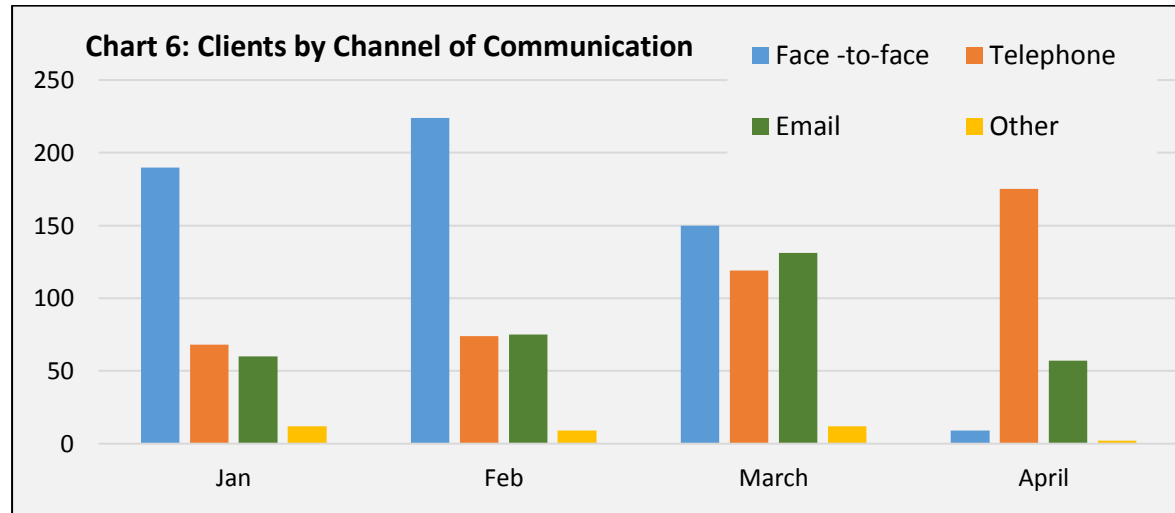
2.6 The decline in Debt clients is unlikely to continue much longer than the special measures put in place to help people through the lock-down period. As suggested in the previous report, and confirmed by the Citizens Advice survey mentioned in Para 1.7, the government’s measures are alleviating Debt problems for the moment, which is all they were intended to do. The number of clients with Debt issues is likely to increase again as the measures are lifted, existing debts are “reactivated” and new ones caused by the lengthy lock-down become apparent. In fact given the loss of earnings over the lock-down and the likelihood of permanent business closures and associated redundancies as a result we may face another debt crisis.



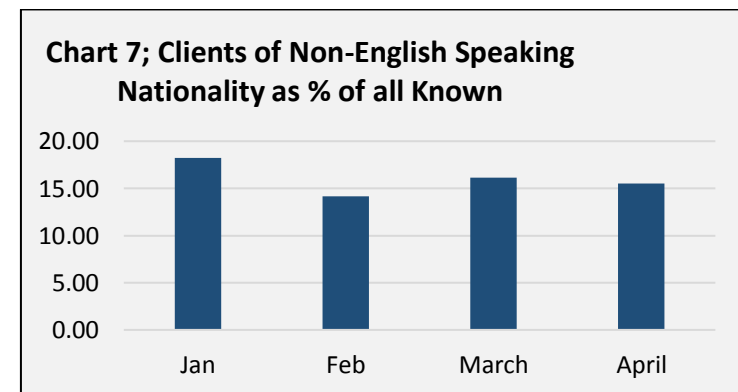
3. The Changing Client Base

3.1 The other aspect of the monitoring is the impact on the client profile and how they contact CAB. Until the office closure in late March, most clients came in for face-to-face meetings and there was no real preference between telephone and email as alternative channels, as can be clearly seen in the figures for January and February in Chart 6. March saw an obvious drop in face-to-face contacts as the pandemic developed, people stopped going out so much and then the lock-down took effect, however telephone and e-mail were still fairly equally used. From the April figures it is obvious that telephone is the preferred alternative channel of communication and in fact the use of e-mail has dropped to below what it was for January or February.

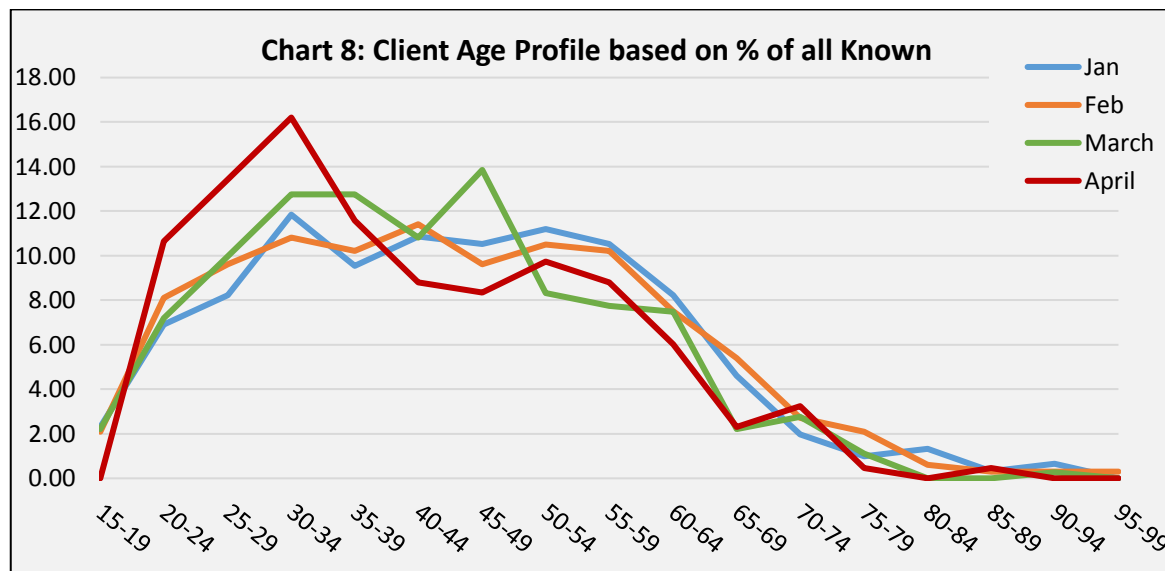
3.2 One possible explanation for this is that those on the lowest incomes are less likely to have internet at home and are likely to be dependent upon pay-as-you-go phones. Even if they are smart phones, accessing the web through these would be an expensive option and with libraries and other places offering internet access closed there are few, or no, other options. Thus the telephone becomes the preferred channel of communication.



3.3 There was concern that the reliance upon telephone and e-mail would discourage potential clients who have difficulty expressing themselves in English. This was looked at in the first report but recording of clients' first and second languages was too low to give enough data for any useful analysis. Recording of a client's Nationality is higher (about half of all clients have this recorded) and Chart 7 shows the proportion of clients whose nationality suggests they do not speak English as a first language. As can be seen they have remained a consistent proportion of the client base despite the change in the available channels of communication which suggests that this group of clients do not have a specific problem accessing CAB's services.

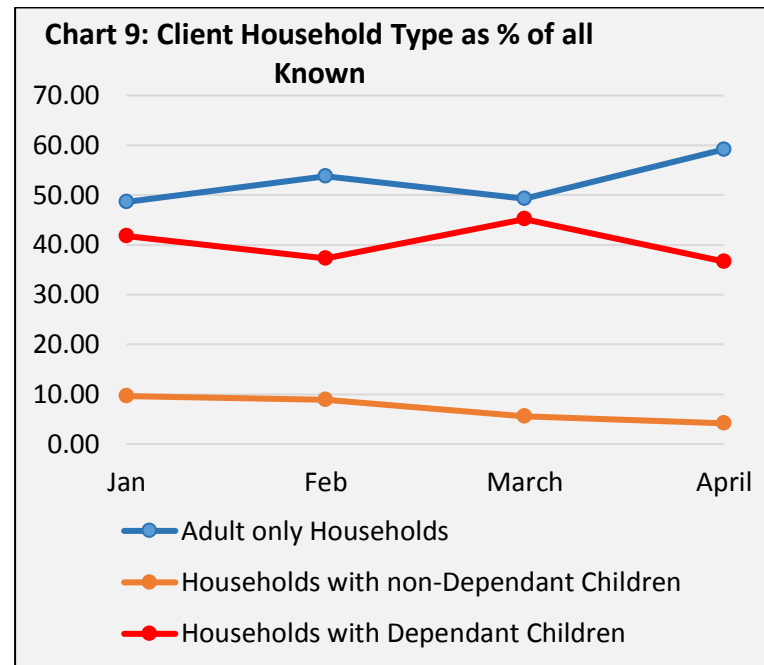


3.4 There has been a significant change in the age profile of client base in April. Chart 8 below compares the Age profile of clients for each month as a percentage of each month's total. This makes it easier to compare the distribution curves (the full figures are in the Appendix Table 3). There is a clear shift in April to a younger client base with a peak in the 30-34 age group, compared to a more even distribution across the working age groups in the previous months. The most likely explanation is that it is these younger age groups that are most affected by employment issues and have driven the increase in Employment issues noted in Paras 2.1 & 2.2.



3.5 Given the reports from the Bedford Foodbank and the Trussell Trust nationally about the impact on families (Paras 1.4-1.6 & Chart 1a&b), it is also worth looking at whether this has had an impact on the client profile. Chart 9 shows the proportions of clients by household (See Appendix Table 4 for the full figures). The key question is whether the households have children so the figures have been grouped on that basis. As can be seen there was a slight rise in the proportion of households with dependent children in March, which would coincide with the Trussell Trust findings, but this drops off again slightly in April which also supports the observations of the Bedford Foodbank staff in para1.5.

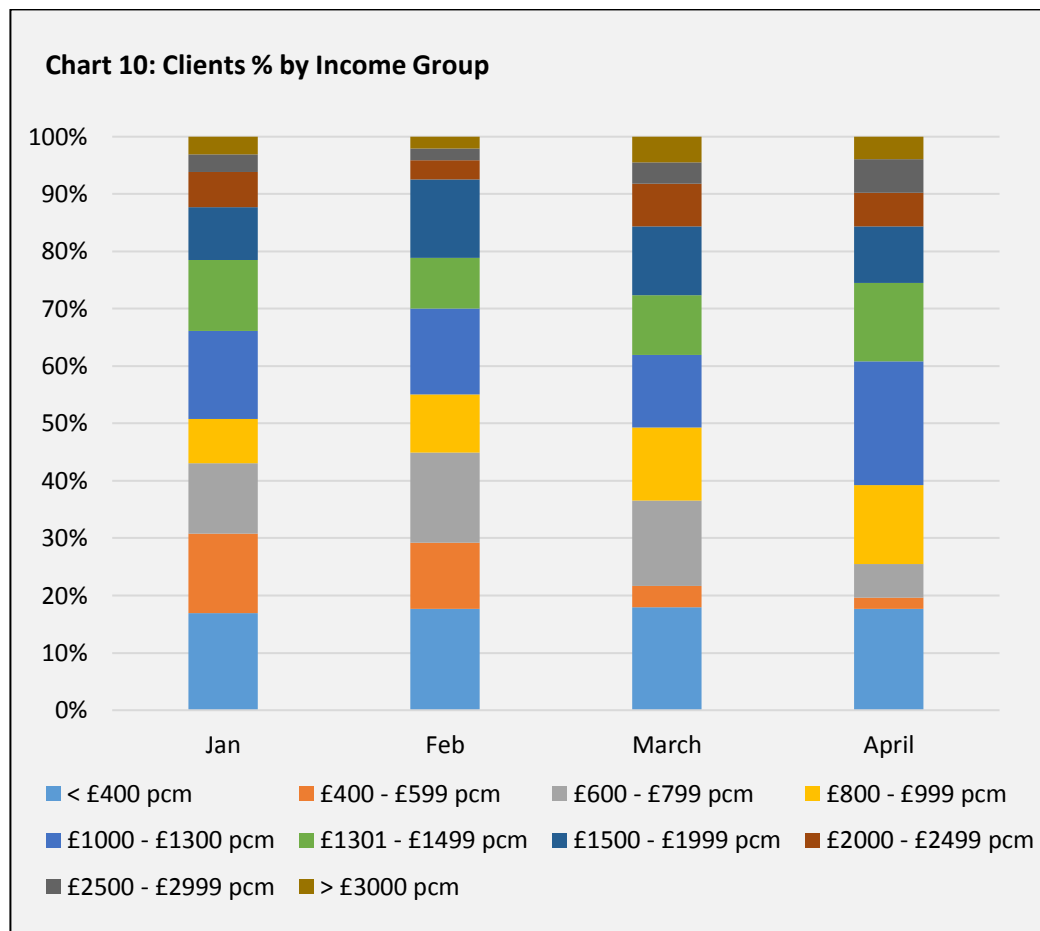
3.6 Households with non-dependent children continue to make up a small proportion of the client base, probably because their additional income helps to cushion the household as a whole and/or the adult children provide a source of support and advice. Adult only households, predominately single people living alone, remains the largest group and overall shows a steady increase as a proportion of households.



3.7 One of the most interesting changes in terms of client profile is in the income range. Chart 10 compares the income groups as percentages of all clients for the month. Of particular note is the drop in lowest income groups (less than £1,000pcm) both in actual numbers and as a percentage of all clients (for the full figures see Appendix Table 5).

3.8 The shift is evident from the movement in the average income groups. In January and February the mean average income (ie. And equal number of clients above and below) was within the £800-£999 pcm income group – in March and April this mid-point moved up to lie within the £1,000 - £1,300 pcm bracket. The modal average (the single most frequent income group) moved from £400 or less pcm to £1,000 - £1,300 pcm.

3.9 If we take the Benefit Cap (approx. £1,600 pcm) and the maximum State Pension (approx. £700 pcm) as markers of low income, those on less than £600 pcm dropped from 30% of all clients in January and February to 21% in March and 19% in April. Those on £1,500 or less (which includes the previous group) have remained around three quarters of all clients, falling only from 78% in January to 74% in April.



3.10 What we have then is a drop in the proportion of clients on the lowest income (less than £600 pcm); an increase in the “middle” income group (£600 - £1,499 pcm) with the highest group (£1,500 and more pcm) remaining about 25% of clients.

3.11 There are probably two factors contributing to this shift in the income profile of clients. The point was made in Para 3.2 that the lowest income groups are less likely to have access to the internet (and even their phone usage may be limited) which is restricting their access to CAB services. The other factor is that it may be this “middle income group” (£600 - £1,500 pcm), dependent upon a mix of benefits and earnings, that is suffering most from the business closures due to the lock-down, this would also contribute to the increase in Employment issues noted in para 2.1.

4. Observations

- 4.1 Regarding the pattern of Issues being raised with Citizens Advice Bedford (CAB), the most significant changes are in Debt and Employment. Both appear to be due to the Government's response to Covid-19: the closure of businesses is driving the increase in Employment issues, while the measures to limit the financial impact on people is suppressing Debt issues. As the lock-down is eased and the government's intervention come to an end it is likely that Debt issues will increase again. Whether Employment issues drop back to pre-pandemic levels may depend upon how well the economy revives.
- 4.2 In the absence of face-to-face interviews there is a clear preference for the telephone as a channel of communication. While the office closure is only a temporary measure, the preference for telephone over e-mail should perhaps be noted and considered in any future development of a remote advice service.
- 4.3 The change in the client profile is of concern. The drop in clients in the lowest income groups is unlikely to be because they do not have issues. Though we cannot say for certain that it is because they cannot afford to pay for phone or internet, this does appear to be the most likely explanation.
- 4.4 It is interesting to note that the reliance upon Telephone and e-mail does not appear to have deterred those whose first language is not English. However, it may be that those who actually struggle to communicate in English either never have sought help from CAB or have always done so with a friend or family member to act as translator.
- 4.5 It is also reassuring in some ways that the problems facing CAB in terms of the drop in client numbers, and of Debt clients in particular, is not peculiar to it. It is an issue for other Citizens Advice offices as well and CAB appears, at least for the moment, to be coping better than some.

Appendix of Tables

1 Full Monthly Client Figures

	No. of Clients						Clients as % of All					
	All	Benefits & Tax Credits	Universal Credit	Debt	Employment	Foodbank Vouchers	Benefits & Tax Credits	Universal Credit	Debt	Employment	Foodbank Vouchers	All
January	307	75	58	121	36	14	24.43	18.89	39.41	11.73	4.56	100.00
February	341	76	61	141	43	8	22.29	17.89	41.35	12.61	2.35	100.00
March	368	92	70	143	65	9	25.00	19.02	38.86	17.66	2.45	100.00
April	226	66	68	55	77	10	29.20	30.09	24.34	34.07	4.42	100.00

2. Comparison of Client Numbers between local Bedfordshire office groups

	Client Numbers			As % of Jan		
	Bedford	Luton	Leighton Linslade	Bedford	Luton	Leighton Linslade
Jan	307	424	357	100.00	100.00	100.00
Feb	341	395	353	111.07	93.16	98.88
March	368	506	310	119.87	119.34	86.83
April	226	213	184	73.62	50.24	51.54

3. CAB Clients by Age Group

Age Group	Client Numbers					Client as % of All for Month			
	Jan	Feb	March	April		Jan	Feb	March	April
15-19	7	7	8	0		2.30	2.10	2.22	0.00
20-24	21	27	26	23		6.91	8.11	7.20	10.65
25-29	25	32	36	29		8.22	9.61	9.97	13.43
30-34	36	36	46	35		11.84	10.81	12.74	16.20
35-39	29	34	46	25		9.54	10.21	12.74	11.57
40-44	33	38	39	19		10.86	11.41	10.80	8.80
45-49	32	32	50	18		10.53	9.61	13.85	8.33
50-54	34	35	30	21		11.18	10.51	8.31	9.72
55-59	32	34	28	19		10.53	10.21	7.76	8.80
60-64	25	25	27	13		8.22	7.51	7.48	6.02
65-69	14	18	8	5		4.61	5.41	2.22	2.31
70-74	6	9	10	7		1.97	2.70	2.77	3.24
75-79	3	7	4	1		0.99	2.10	1.11	0.46
80-84	4	2	0	0		1.32	0.60	0.00	0.00
85-89	1	1	0	1		0.33	0.30	0.00	0.46
90-94	2	1	1	0		0.66	0.30	0.28	0.00
95-99	0	1	0	0		0.00	0.30	0.00	0.00
Not recorded/not applicable	3	8	7	10					

4: Clients by Household

Clients by Household	Jan	Feb	March	April
Single Person	68	93	78	45
Couple	28	27	18	16
Other Adults Only	10	7	11	10
All Adult only Households	106	127	107	71
Single Person With Non-Dependent Children	10	12	2	1
Couple With Non-Dependent Children	8	7	9	4
Other adults and Non-Dependent children	3	2	1	0
All Households with Non-Dependent Children	21	21	12	5
Single Person With Dependent Children	41	50	49	15
Couple With Dependent Children	48	36	49	28
Other adults and Dependent children	2	2	0	1
All Households with Dependent Children	91	88	98	44
All Known Households	218	236	217	120
Not recorded/not applicable/prefer not to say	89	105	166	106
ALL	307	341	475	226

5: CAB Clients by Income

Income	Jan	Feb	March	April
< £400 pcm	22	26	24	9
£400 - £599 pcm	18	17	5	1
£600 - £799 pcm	16	23	20	3
£800 - £999 pcm	10	15	17	7
£1000 - £1300 pcm	20	22	17	11
£1301 - £1499 pcm	16	13	14	7
£1500 - £1999 pcm	12	20	16	5
£2000 - £2499 pcm	8	5	10	3
£2500 - £2999 pcm	4	3	5	3
> £3000 pcm	4	3	6	2
Grand Total	130	147	134	51
Mean average income (equal no of clients above and below)	£800 - £999 pcm	£800 - £999 pcm	£1000 - £1300 pcm	£1000 - £1300 pcm
Mode average income (Most frequent income range)	< £400 pcm	< £400 pcm	< £400 pcm	£1000 - £1300 pcm
Below £1,500pm as % of all (Benefits Cap £1,600pm)	78.46	78.91	72.39	74.51
Less than £600pm as % of all (max State pension £700pm)	30.77	29.25	21.64	19.61

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