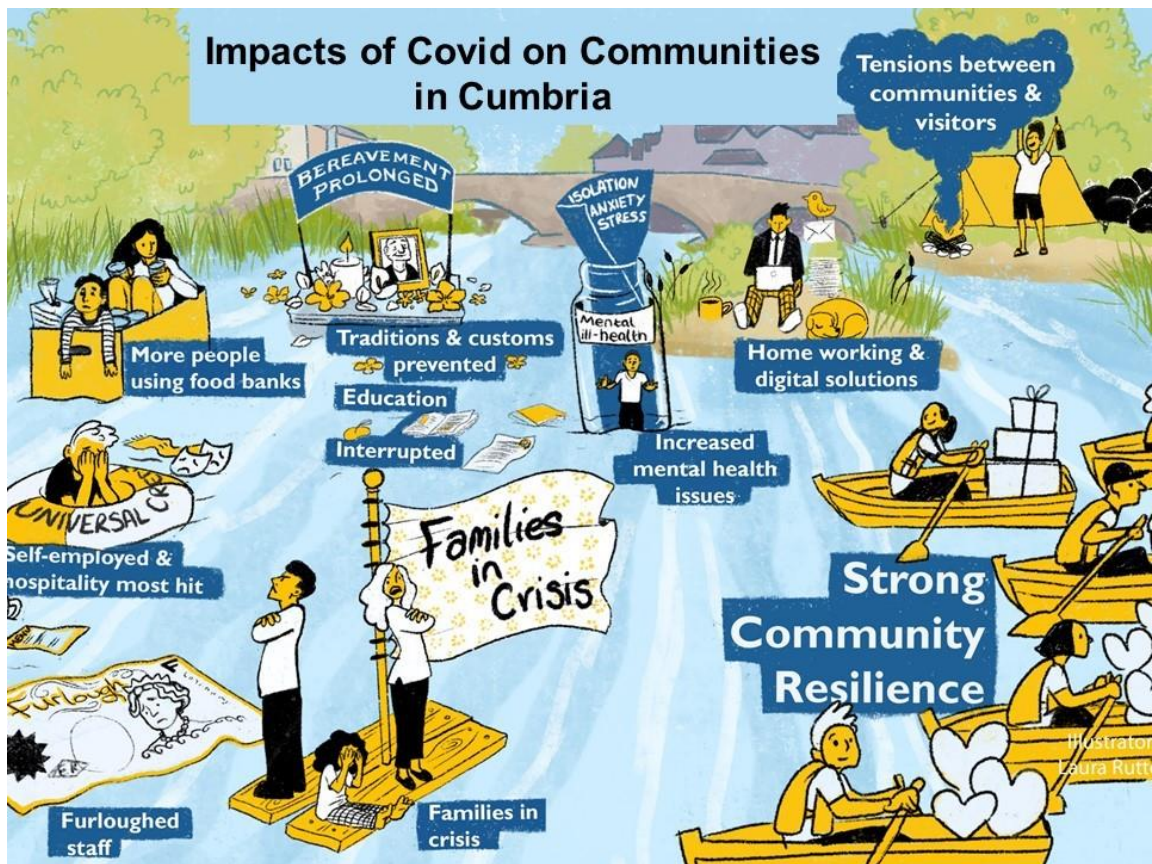




Cumbria

# COVID-19 in Cumbria - a Citizens Advice perspective



November 2021

# Contents

Executive summary

Introduction

Employment

Benefits

Debt, Housing and Arrears

What we did in Cumbria:

Countywide

By District

Other related issues

Planning for the future

Conclusion

Acknowledgements

Further information

***Citizens Advice Cumbria is a local independent charity comprised of all 5 local Citizens Advice organisations across Cumbria. Citizens Advice provides free confidential, independent and impartial advice and support to help people resolve their life problems, whatever they might be.***

# Executive Summary

Within Cumbria there are 5 Citizens Advice organisations, all local charities offering free, confidential, independent and impartial advice and support to help people resolve their life problems, whatever they might be. As trusted, well established ports of call for our residents, we have seen first-hand the impact of the pandemic on the local community - the need for our service was amplified as never before. As the fundamentals of life (health, income, employment, housing, and food) were compromised and residents' choice and control over most aspects in life reduced (suddenly and often without warning), they turned to their local Citizens Advice for trusted, reliable, reasoned advice and support. At the outset, we recognized we would need to serve not only those who would typically use our services but also a new demographic, i.e. those who had been living comfortably and/or without major life challenges; those whose mental health was usually strong; and those for whom needing help was perceived as shameful.

To reflect the changing environment, Citizens Advice organisations across Cumbria moved overnight from being a predominantly telephone and face to face service to one that was remote only (via email, webchat, video, and telephone).

We used all means necessary, including our websites, social media, direct communication with individual clients and working with partner networks in our local communities, to make sure people had the information and advice that mattered to them e.g. for those in debt it was crucial they understood that recovery action was suspended but that interest/fees could accrue.

This report details findings from that experience and the stories of the **19459** individuals we helped between 23rd March 2020 to 19th July 2021 ('the restrictions period'), up **16% on the earlier period of 23rd March 2018 to 19<sup>th</sup> July 2019**.

Across Citizens Advice in Cumbria, we saw **a surge in demand for help with Universal Credit, up 64% in the restrictions period on the same period two years prior**. We also saw a **53% increase in the number of enquiries relating to employment**, with people coming to us with questions about furlough and job security. There was a smaller increase (6%) in people **coming to us for help with housing issues**, mainly linked to the private sector. These included advice on evictions, landlord harassment and poor-quality housing. In addition, Recent national Citizens Advice research<sup>1</sup> showed that 1 in 3 households (45% of people with children) lost household income as a result of Covid-19. Over a third of these had run down their savings. While demand for debt advice during the main pandemic period was reduced, it is now rising again.

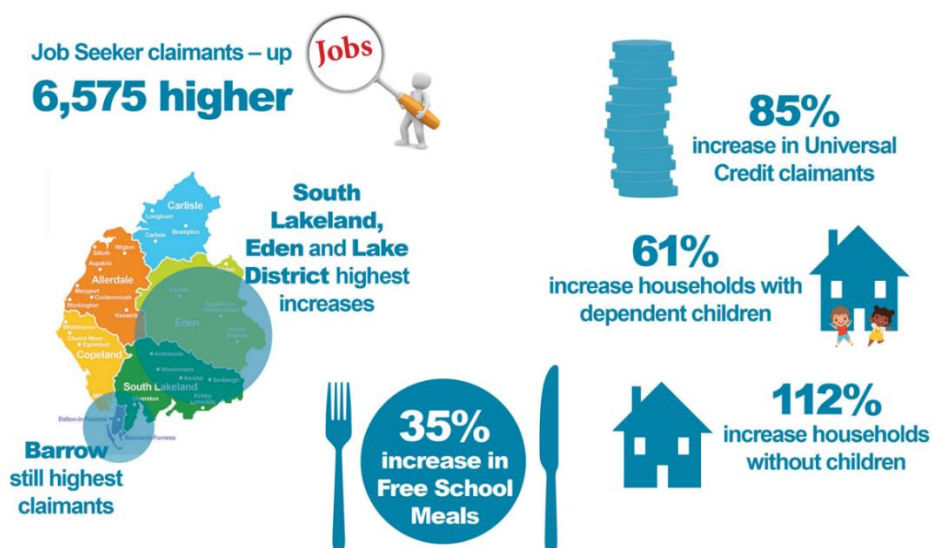
---

<sup>1</sup> Delivering Debt Advice During a Pandemic 2020

Whilst some economic forecasts are positive about the post pandemic ‘bounce back’, many have highlighted the long-term uncertainty and its implications. Even before the pandemic, 1 in 10 adults in Great Britain said they could not cover their costs for longer than a week if they lost their main source of income.<sup>2</sup> The **pandemic has pushed many people into deeper poverty and others, who were previously ‘just about managing’, into poverty for the first time.**

A recent data report from Citizens Advice (The Coming Storm, September 2021) has evidence that shows people could struggle even more to make ends meet in the coming months. As well as the end of the Job Retention Scheme, the £20 Uplift in Universal Credit has now been removed, resulting in a monthly income reduction of over £86 for many Cumbrian households. This is coupled with the 12% rise in the maximum amount energy providers are allowed to charge. Around 75% of the people we advise on benefits and debt won’t have enough income to cover essential outgoings. **For many people, their problems are only just beginning. Demographic groups that were at a disadvantage before the crisis have been affected more than others, exacerbating existing inequalities.** <sup>3</sup>

Citizens Advice organisations across Cumbria operate at the heart of their communities and have analysed the likely longer-term impact on the most disadvantaged within those communities to adapt their service delivery models. All are prepared for increased demand requiring specialist support with debt, employment, benefits and housing problems and have invested in technological innovations to improve access to services. We are committed to providing independent and trusted advice to help people find a way forward.



<sup>2</sup> [‘Walking on Thin Ice – the cost of financial insecurity’](#) (2018)

<sup>3</sup> Build Back Fairer; The Covid-19 Marmot Review, The Pandemic, Socioeconomic and Health Inequalities in England

# Introduction

## Who are Citizens Advice Cumbria?

There are 5 local Citizens Advice in Cumbria – Allerdale (with offices in Workington and Keswick), Barrow, Carlisle and Eden (with offices in Carlisle and Penrith), Copeland (with offices in Whitehaven and Millom), and South Lakes (with an office in Kendal and outreach in Ulverston). All are independent local charities with their own funding, governance and service delivery models. All work collaboratively on some projects, including shared contracts, under the banner of Citizens Advice Cumbria, itself a constituted legal entity. This report has been developed with input from all 5 Citizens Advice organisations.

Before March 23<sup>rd</sup>, 2020, each local Citizens Advice operated its own service delivery model designed according to their local community needs. Most featured a blend of face to face, telephone, and email advice, with drop-in sessions at local offices and pre-arranged appointments and encompassed contracts to offer debt/money advice, Macmillan benefits advice for people affected by cancer, and support to help people with their initial claim for Universal Credit (Help to Claim). The level of work carried out for every client was determined by need and resources available to the local Citizens Advice. Following the introduction of national restrictions, all local Citizens Advice organisations across Cumbria moved to providing our free advice service mainly via phone and email, with some webchat and video conferencing, and with advisers working from home. It has been a time of huge change and disruption for both us and our clients. We can now begin to reflect on how the coronavirus pandemic has affected people in Cumbria, how we've been helping and what some of the challenges might be for the future.

For the purposes of this report, we have used Casebook Reporting,<sup>4</sup> our client management system, to extract internal data from 23<sup>rd</sup> March 2020 (the start of the first lockdown) to 19<sup>th</sup> July 2021 (England's move to 'Step 4' of the Government's roadmap, removing most legal restrictions). This is described as the 'restrictions period' and will be compared to internal data from 23<sup>rd</sup> March 2018 to 19<sup>th</sup> July 2019. We will highlight the areas where we have seen the highest demand for client support and expect to see demand continue for some time after the lifting of restrictions.

## Our response to lockdown

Across Cumbria each local Citizens Advice adapted swiftly to the new environment with over 60 staff and 75 volunteers doing their work from kitchen tables and spare bedrooms. Commitment to make our services work for our clients, staff flexibility and agility, robust systems, teamwork, and a good sense of humour, meant that even with all the upheaval of Coronavirus and Lockdown, local people across Cumbria had access to quality advice

---

<sup>4</sup> It should be noted that Casebook reporting is only as good as the data inputted by our staff and volunteers and we consider it likely there will be some under-reporting due to variable inputting of data.

from day one. Across all local offices, staff and volunteers identified clients in hardship and, working closely with local partners, ensured that those who needed additional support could receive a foodbank parcel or delivery and appropriate hardship funding/vouchers and signposting to further support where relevant.

There were huge challenges in terms of technology - adequately resourcing every team member with essential IT equipment and training and support to effectively use it was particularly challenging for the local Citizens Advice that rely heavily on volunteers the majority of whom usually only work one day per week. In addition, much of our work with clients relies on seeing documentation and supporting with filling in forms. We had to find ways of working around this including keeping a skeleton administrative staff working within each office.

All local offices have continued to recruit and train new volunteers and staff throughout the pandemic to ensure we are able to meet the anticipated increased demand for advice in the future.

**Overall, our service to people across Cumbria did not stop. We continued to help people by phone, email and web chat and some local Citizens Advice in Cumbria continued to provide face to face appointments for those who absolutely needed them.**

### **The value of CAC to local partnerships**

Across Cumbria, all local Citizens Advice worked closely in partnership both locally and county-wide on several different initiatives to support local authorities in distributing government funding to people in need. In addition, the Chief Executives of each local Citizens Advice participated in emergency meetings and resilience and recovery forums. This meant we were able to use the evidence from our clients and expert knowledge to inform local action plans about levels of actual need, those most impacted and appropriate responses.

### **The value of our advice to our clients**

In the restrictions period we supported **19459 people** with free and confidential advice –**16% more** than 2 years prior.

We helped people with over **102,000 issues**, including redundancy advice, benefit claims, food vouchers and domestic abuse.

We helped many of our clients to access government services that they would otherwise have struggled to connect with.

2020/2021

For everyone,  
for 80 years

Clients	Issues	Gains	
	16269		£11,728,912
	76958		
Benefits	36006	Telephone	70%
Utilities	7489	Email	22%
Employment	5283	Letter	3%
Debt	8985	Webchat	3%
Housing	3325	In person	1%
Relationships	2443	Video	1%



More than half of Citizens Advice clients in the last year said their issue was affected by the pandemic



9/10 clients said our advice helped them to move forward



6/10 felt less stressed, depressed, or anxious as a result

Our clients are asked to comment on the service they received through a survey carried out by an independent company. People can use a free text option and the following comments reflect over 94% of those received:

Absolutely brilliant help was given. I felt like i was beating my head against a wall before i got help from citizens advice

Everything was great, the lady was very helpful and knowledgeable. Even if she didn't know, she was willing to find out! I only say I could have found out myself if I wasn't so stressed, I couldn't gather my thoughts together and she helped me make a plan so I could carry on easily and less stressed. Thankyou

I would like to say a big thanks to everyone for your help i was in a dark place and you all helped me out of it and I am very happy for your help thanks



### The value of our advice to society

For every £1 invested in our service in 2020/21, Citizens Advice Cumbria generated:<sup>5</sup>

**£2.84**  
In savings to government and public services (fiscal benefits)  
**Total: £6.269 million**

**£20.81**  
In wider economic and social benefits (public value)  
**Total: £45.89 million**

**£12.50**  
In financial value to the people we help (specific outcomes to individuals)  
**Total: £27.56 million**

<sup>5</sup> According to the Citizens Advice multi-member financial modelling tool, accurate as of 23/7/2021



## Citizens Advice Cumbria during Covid 19

Throughout the pandemic, Citizens Advice Cumbria were able to deliver advice and support for all of life's challenges. The following gives a flavour of the range of the very difficult and distressing situations we helped local people face:

**Families & relationships:** no income for new baby supplies, disputes with partner/grandparents over access to children, unsuitable housing, social isolation of single parents and no access to support, right to school places as key workers, inability to meet increased costs from having children at home, managing work & childcare when child told by school to isolate, concerns over child's anxiety/isolation/mental well-being, no respite for parents of disabled children, students returning home from university & rights to course and rent rebates, relationship breakdown, domestic abuse

**Work:** rights to be furloughed and associated rights to wages & holidays, right to work when employer refuses to allow layoffs and redundancies without due legal process, employers arbitrarily introducing reduced wage, holiday and other entitlements, no income having left job in anticipation of starting a new job that was withdrawn because of the pandemic, self-employed and no longer able to run business and not entitled to any government support, zero hours contracts so not eligible for furlough and no recourse to public funds

**Stabilizing income:** claiming the right benefits for the individual's situation, initiating insurance claims, identifying all possible Government support options, and supporting to claim, direct provision of and/or referral for charitable support

**Housing/homelessness:** unscrupulous landlords/letting agents attempting unlawful eviction action, supporting people to access local authority homeless assessments, emergency hardship funding for deposits or temporary accommodation

**Consumer:** holiday refunds, deposits for building works, fraud, securing best energy and phone/broadband deals, registering for Priority Services

**Debt:** county & magistrates courts recovery action, sustainable budgeting, negotiating credit card/store card payment holidays, negotiating rent reductions/ mortgage payment holidays.

# Employment

We are **helping more clients with employment issues than ever before**. In the restrictions period, we helped 2339 clients with 6687 employment issues.

A Citizens Advice national survey, published last summer, found that it was the most vulnerable sections of society that were disproportionately facing redundancy. **1 in 4 disabled workers, 1 in 2 workers classified as clinically extremely vulnerable to the virus, and 2 in 5 workers with caring responsibilities** had either been made redundant, had entered into formal redundancy proceedings, or had had informal redundancy discussions with their employer.<sup>6</sup>

**1<sup>st</sup>**

The furlough rate in Cumbria up to April 2021 was the highest among 30 county areas in England



4280 more Cumbrians claiming unemployment related benefits in June 2021 than March 2020

**93300**

Cumulative number of furloughed jobs in Cumbria – 43% of all eligible jobs.

**The jobs that have been lost in the Cumbrian economy tend to be lower-paying ones**, a trend observed locally by the Cumbria Observatory.<sup>7</sup> **Young people are more likely to have been furloughed than the average worker**, at least in part as they are more likely to be employed in accommodation and food services. Businesses in hospitality and tourism have closed, despite the considerable government support available. Moreover, women have tended to be in lower paid more precarious work and have been more negatively impacted by employment issues – In Barrow 61% of clients seen during the pandemic were women, up from 51% previously.

The Government's furlough scheme was extended several times, which was a welcome relief to those struggling with the financial implications of lockdown. However, there is a risk this delayed, rather than prevented, the pain when jobs are ultimately lost. In Autumn

<sup>6</sup> [Citizens Advice, 'An Unequal Crisis' \(6 August 2020\)](#)

<sup>7</sup> Figure 7 <https://cumbria.gov.uk/elibrary/Content/Internet/536/671/4674/17217/17224/44392175649.PDF>

2021 we are seeing a rise in the number of employment enquiries as employees face the consequences of the end of the furlough scheme and employers act on redundancies and restructuring, as well as issues of health and safety in returning to the workplace.

### **Nature of employment enquiries**

All local Citizens Advice in Cumbria have picked up on employment enquiries. As an example of local Citizens Advice office's ability to quickly adapt to meet changing need, Citizens Advice Carlisle and Eden used funding from Local Area Committees to second an existing member of staff with employment experience to be an employment specialist. This organisation alone saw a 62% increase in employment cases with 753 clients seeking help between 1<sup>st</sup> April 2020 and 24<sup>th</sup> August 2021. A variety of issues have been dealt with including:

#### **Redundancy**

- Dismissal without notice or redundancy payment:
- employer failing to take account of employee's length of service.
- Unlawfully discriminatory selection for redundancy by reference to criteria, which disadvantaged women because they had previously taken maternity leave.

#### **Unfair dismissal**

- Employee dismissed because she was pregnant.
- Employee dismissed after she repeatedly raised concerns over breach of hygiene regulations in the area of the workplace where food was prepared for sale.
- Employee dismissed because he refused to go into the workplace to work while furlough. (At the time non-essential workplaces were required to be closed and the furlough scheme did not accommodate part-time work, part-time furlough.)
- Employee dismissed without notice because he had given 12 weeks' notice of his resignation.

#### **Furlough pay**

- Employees found out that their pay was not being declared to HMRC in breach of PAYE legislation.
- Furlough pay wrongly calculated to the detriment of women who had been on reduced wages (statutory maternity pay).

#### **Unauthorised deduction from wages**

- Non-payment of holiday pay. Refusal to pay wages to a group of workers (up to over £900 per worker).
- Employees whose final month's pay was confiscated by employers in breach of contract and in breach of legislation to prevent unauthorised deduction from wages.

## **Breach of contract**

- Dismissal without notice or pay in lieu of notice.

## **Disability**

- Employees with disability.
- Employers' failure to make reasonable adjustments at work.

## **TUPE**

- New owner of business refusing to allow employee to continue in her job in breach of legislation to protect employment on transfer of an undertaking.

## **Sexual harassment**

- Employees who had been sexually harassed at work, being the victims of sexual assault and sexually abusive language.

Our casework has included

- Advised clients on their legal remedy
- Negotiations on behalf of clients
- Drafting grievance letters
- Preparing statements of complaints for ACAS early conciliation
- Assisting clients with settlements in early conciliation
- Completed applications to Employment Tribunal
- Prepared documents for hearing
- Advice on Tribunal judgement enforcement


## Nicola's Story

*Nicola had been employed by a local employer for the past 19 years - for much of this time she was full time but went part time after having a child. When the pandemic hit, she was put on furlough then in September 2020 she was told by her employer she was being made redundant. She was the only one in a team of staff who worked part time and the only one at risk of redundancy.*

*Nicola approached Citizens Advice for support. The employment adviser supported the client by email and phone appointments to challenge her employer on the grounds that their redundancy process was discriminatory, unfair and less favourable treatment of part-time worker*

*The employer withdrew the threat of redundancy. Nicola was also advised on her rights regarding redundancy pay and holiday while on furlough.*

# Benefits



Universal Credit for single claimants under 25 is £344



Universal Credit standard allowance is £411.51 per month

**61%**

Percentage of families claiming Universal Credit who will struggle with or fall behind on bills

Despite the furlough scheme, the pandemic saw a steep rise in the number of people claiming benefits. The number claiming out of work benefits rocketed to 2.6 million, the highest figure for 25 years.<sup>8</sup>

The extension of the Government’s furlough scheme saved many from becoming entirely reliant on benefits in the short term. However, the **number of people claiming Universal Credit almost doubled to 6 million** from the start of the pandemic.<sup>9</sup>

## Universal Credit Update – Total UC claims

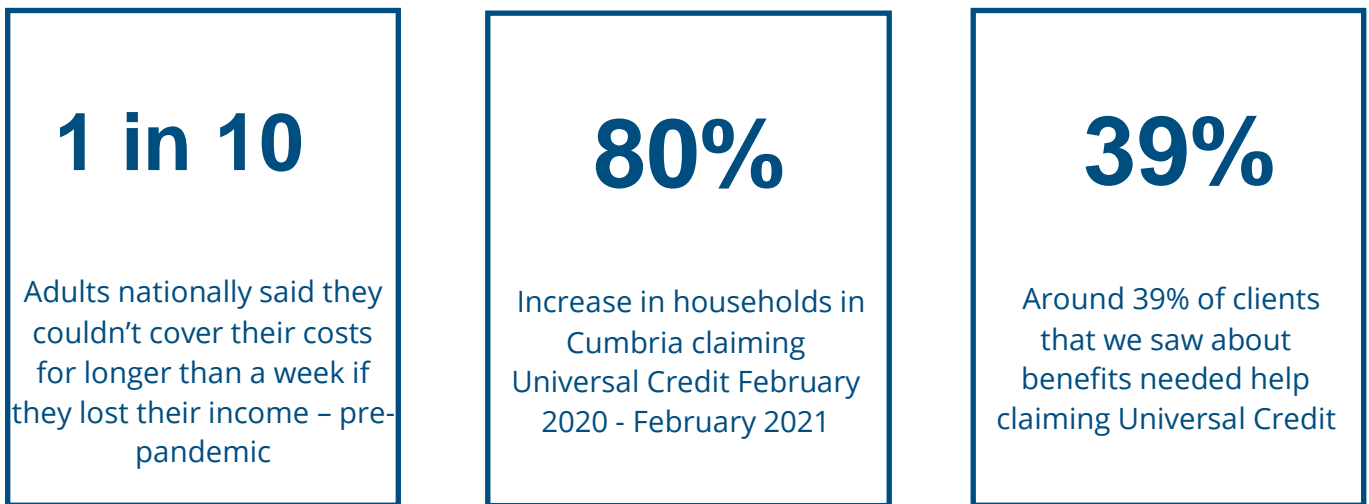
	April 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021®	July 2021 (p)
Barrow-in-Furness	5431	7280	7155	7255	7226	7241	7180	7220
Carlisle	7441	9788	9903	9991	10048	10051	10007	10087
Kendal	3199	4245	4264	4269	4252	4205	4136	4117
Penrith	2053	2502	2498	2498	2465	2451	2414	2402
Whitehaven	3898	4594	4609	4639	4646	4681	4666	4676
Workington	6559	7658	7693	7717	7693	7664	7588	7640
<b>Total</b>	<b>28581</b>	<b>36066</b>	<b>36120</b>	<b>36371</b>	<b>36332</b>	<b>36297</b>	<b>36002</b>	<b>36144</b>

<sup>8</sup> Roadblock to recovery: Why the rules in Universal Credit are creating barriers to work', June 2021

<sup>9</sup> ['Universal Credit statistics, 29 April 2013 to 8 April 2021'](#) (18th May 2021)

More families and individuals have come to rely increasingly on benefits to help make ends meet but the complexity of the system meant many clients had little understanding of what benefits they could claim, and the curb on face-to-face interviews at JobCentre Plus offices made this even harder. **Almost 39% of clients we saw about benefits needed help claiming Universal Credit.**

Our research found that young people have become reliant on benefits in the absence of employment. From March 2020 to March 2021, the number of people aged 16-24 claiming unemployment benefits almost doubled from 1370 to 2650 in Cumbria.<sup>10</sup>



Whilst Universal Credit has helped many people to secure some much-needed income during the pandemic, many have struggled with the five weeks' wait which the move to this benefit entails. Most suffering a sudden and unexpected income shock do not have the equivalent of five weeks' income to tide them over while waiting for their first payment. For those that don't have such savings, or can't borrow from friends and family, the choices are stark: go without essentials, go into debt (either by taking on new debt, or defaulting on payments), or get a Universal Credit advance – a loan that must be repaid.

<sup>10</sup> CO April 2021 Labour Market Briefing: <https://cumbria.gov.uk/elibrary/Content/Internet/536/671/4674/17217/17224/4430613447.PDF>

## Not just the unemployed affected

### Universal Credit Update – Percentage in employment

	May-21 Total UC	May-21 In Employment	% of People In Employment
Barrow-in-Furness	7241	2978	41.12%
Carlisle	10051	4254	42.32%
Kendal	4205	2188	52%
Penrith	2451	1177	48%
Whitehaven	4681	1724	36.82%
Workington	7664	3024	39.45%
<b>Total</b>	<b>36297</b>	<b>15344</b>	<b>42.27%</b>

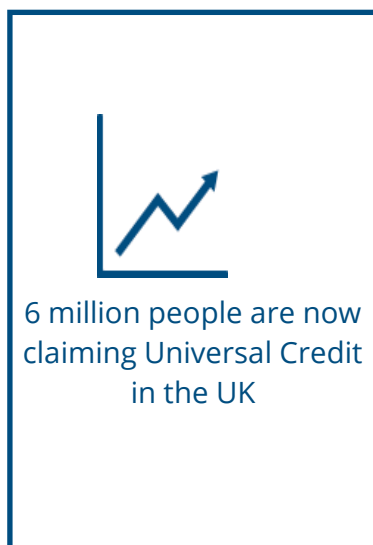
In Cumbria, **42% of Universal Credit claimants in May 2021<sup>11</sup> were in employment**, suggesting that many of those that still have jobs are nonetheless on low incomes. As we noted in the last section, those that have lost their jobs since the start of the pandemic have tended to be those on low incomes to start with, and thus less likely to be able to cope with income shocks.

**More than 1 in 3 low-income households with children saw their outgoings increase during the pandemic**, according to surveys conducted by the Nuffield Foundation. Across Cumbrian Local Authority areas between 37% and 40% of UC claimants are households with children. Having children at home required higher spending on food and energy, while remote schooling was particularly expensive for families that had to buy laptops or arrange broadband access. On top of this, the cost of food and essentials increased for many, whilst restrictions on household mixing prevented access to wider family and community support.<sup>12</sup> Meanwhile, wealthier households that typically spend more of their income on leisure activities have been able to save more during the lockdowns, **exacerbating pre-existing inequalities**.

---

<sup>11</sup> 15306 employed out of 36048 UC claimants in Cumbria (Allerdale, Barrow, Carlisle, Copeland, Eden, South Lakeland) in May 2021 ([DWP: Stat-xplore](#))

<sup>12</sup> Based on two surveys of over 6,000 working age adults, conducted by the Nuffield Foundation in May and September 2020. [Nuffield Foundation, 'Extra costs of food, energy and remote learning piled financial pressure on low-income families during lockdown'](#) (12 January 2021)



## Helping clients to navigate the benefits process

Of the 19459 clients we helped at Citizens Advice Cumbria in the restrictions period, 59% **needed help with benefits or Universal Credit**<sup>13</sup>. 60% of people we helped make a claim for UC were seeking help with their initial claim<sup>14</sup>.

The lack of opportunity for face-to-face interaction during the lockdowns made the task of getting the right support particularly difficult. Determinations for benefits such as Personal Independence Payment (PIP), Universal Credit, and Employment and Support Allowance (ESA) are more difficult with social distancing, and if claimants are unable to do it over the phone, they often face delays in benefits being paid. Clients have required significant specialist guidance from our Advisers to help them navigate the process. As a result, we estimate that from January 2020 to July 2021, our client base was £27,560,639 better off in benefits claimed as a result of advice from Cumbrian Citizens Advice organisations.<sup>15</sup>

## Continued pressure on personal finances

The recent removal of the Universal Credit temporary increase of £20 per week has pushed more people further into poverty and financial hardship. Even without the removal of £86 per month, a recent Resolution Foundation study found that 61% of families claiming Universal Credit say they will struggle to keep up with or will fall behind on bills over the next few months.<sup>16</sup> Despite the recent Government announcement of a £500m Hardship Support Fund, we believe this will not go far at all in addressing the level of need.

<sup>13</sup> Citizens Advice Casebook C6

<sup>14</sup> Citizens Advice Casebook C3a: 840 initial claim clients out of 1,299 all UC clients

<sup>15</sup> Citizens Advice Financial Modelling Tool, used nationally

<sup>16</sup> [Resolution Foundation - 'The debts that divide us'](#) (February 2021)



The recovery of personal finances for those who have been unable to work or are on low incomes takes time and may have long lasting detrimental impact. We anticipate a rise in our money advice/debt related work and a corresponding increase in the mental health and anxiety problems experienced by our clients. In our experience, this, in turn, has a demonstrable link to relationship break down and domestic violence.

### Paula's Story

*Paula was told by HMRC that her tax credits payments had stopped because her husband had allegedly claimed Universal Credit. Paula's husband knew nothing of any claim. The DWP had suspended verification of ID checks because of the level of new claims resulting from the lockdown. She contacted HMRC to report the fraud and asked for her tax credits to be paid. HMRC told her she would not receive anything and to contact Universal Credit (UC) to report the fraud. Paula contacted UC but because the claim had been made in her husband's name, they refused to take action. The tax credits were crucial to ensure Paula's family had enough to manage, as they covered the family's food for the month.*

*We persuaded Paula to accept cash from or hardship funds while her tax credits were being re-instated. We completed a full benefit check and supported Paula and her mother to apply for Attendance Allowance and Carer's Allowance, an increase of £126.95 per week. We also advised Paula about the option to take a mortgage payment holiday and to claim Council Tax Support.*

*After several weeks the tax credits were restored, and back payment was made. Paula immediately repaid the amount of hardship payment that had been given so it could help others.*

# Debt, housing and arrears

**Prior to the pandemic, 1 in 20 adults across the country reported that they were struggling to pay usual household bills<sup>17</sup>. Since the pandemic this has risen to over 1 in 10.**

Citizens Advice estimated that:

- 7.3 million UK adults were behind on their household bills at the end of 2020
- Half a million people are behind on the rent because of the pandemic, 58% of whom weren't in arrears previously
- The average value of arrears is £730<sup>18</sup>

At Citizens Advice Cumbria, we saw a decline in clients coming to us with debt issues during the restrictions period, probably due to legal orders requiring restraint by creditors. To date, the numbers of people seeking help with rent arrears (previously our most common query) is still far below what it was pre-pandemic.

During the “restrictions period” there was a 50% drop in clients presenting for support with both Council Tax arrears and Housing Association rent arrears. However, there were more possession claims and injunctions due to anti-social behaviour, mainly as several neighbourhood issues came to a head during the lockdowns. The moratorium on evictions and bailiff action has now ended and **we are starting to see housing related debt issues begin to rise again and anticipate more demand.**

Finally, we have seen more clients presenting for help with homelessness as the local authorities ended their general accommodation schemes and have gone back to accommodating only the people they are legally obliged to house.

For the average client that Citizens Advice helps with debt problems, it would take at least **30 months to pay back just their priority debts**, assuming that they spent their entire disposable income on repayments each month. Enforcement charges, debt interest, and the cutting off from services can compound this problem for clients, and so being marginally behind on payments can, over time, snowball into huge sums.

The Nuffield Foundation's figures<sup>19</sup> from August 2020 suggest that nearly two thirds of those who have claimed Universal Credit since the start of the pandemic had some sort of deduction from their payment, usually because of an advance<sup>20</sup> but other debts, such as historic court fines, can also be deducted at source from benefits. **Deductions from Universal Credit can be up to 30% of the standard allowance**, leaving struggling families unable to make ends meet. As most deductions are due to advance payments, it is often the first few months of payments that are then reduced, when people are already

---

<sup>17</sup> [ONS](#)

<sup>18</sup> Debt at the close of 2020 (CA Report)

<sup>19</sup> [Nuffield Foundation, 'Advance to debt'](#) (7 January 2021)

<sup>20</sup> Nuffield Foundation, 'Advance to debt' (7 January 2021)

finding it most difficult to adjust to new financial circumstances.

The introduction of the new '[Breathing Space](#)' scheme will give people some temporary protection from most types of debt collection while they take action to get on top of their debts. Our debt advisers will continue to work with clients to find the best way forward. That might involve applying for Breathing Space to buy some time while choosing the right debt solution to fit individual circumstances.

Local Citizens Advice across Cumbria will help clients to manage their rental arrears as much as possible, balancing these against other debts that have accrued during the pandemic, but for many, without a significant intervention to provide support, the spectre of eviction, and all the associated stress will loom large for years to come. This includes those thousands of households that were up to date on their rent payments before the pandemic struck and have suffered huge income shocks due to the lockdowns.

## **What we did in Cumbria Countywide Covid Winter Payment Scheme**

When we were asked at short notice if we could distribute £450,000 worth of Fuel Vouchers (funding received from DWP and given to local authorities) in less than 4 months we realised it would be difficult. However, we demonstrated that with effective partnership working it was achievable. Under the co-ordination of Citizens Advice Allerdale (who had previous experience distributing fuel vouchers to clients with pre-payment meters) we successfully distributed £100 payments to 4000 households between December 2020 and March 31<sup>st</sup> 2021 via an online distribution portal run by Auriga.(a not for profit company)

All Citizens Advice Offices in Cumbria took part in the scheme with localised methods of contacting clients and collecting evidence of eligibility. Administratively, more than 30 workers had to be registered to issue vouchers, with many working from home.

Publicity was initially targeted at our existing clients who were experiencing hardship due to debt, housing or benefit stress. We also used Prepayment Meters as a further indication of need as they are predominantly used by those unable to qualify for a credit meter and in danger of self-disconnection during times of high demand. We used a variety of methods to confirm eligibility: email, WhatsApp, post or in-person.

Citizens Advice added value to the Covid Winter Payment scheme by having flexibility and support between local offices. We could offer advice to applicants who did not qualify and additional support to those who did but may have had additional or complex needs. We also felt that the independence of our "brand" encouraged people to apply. Citizens

Advice Case Management System enabled all offices to see when vouchers had been issued and prevent multiple claims by an individual through different local offices.

We worked with:

- CCC Focus Families to identify families most in need.
- The DWP to target eligible clients who were either new claimants or families under stress.
- Housing Associations to offer vouchers to their tenants who were having difficulties
- Many varied agencies in each local district so their service users might benefit.

The local area resilience groups were also an excellent forum for 'under the radar' publicity to community groups and public sector workers.

We discovered early in the process that keeping control of the message was going to be difficult and that the impact of any publicity was amplified by local social media, not always positively, although local Facebook groups proved effective. This was most problematic when the wrong criteria were publicised by well meaning 'influencers' and led to a perception that this was money available to all regardless of eligibility criteria or need. At Citizens Advice we tried to strike the balance between alleviating genuine poverty and creating dependency.

## By District:

**Citizens Advice Carlisle and Eden** administered Covid Hardship Grants across both Districts with funding supplied by CCC Local Area Committees from national government origins; this provided clients with White Goods support, emergency funding for clothes or food or other necessities and was aimed primarily at households without children. We also worked closely with local food outlets, developing an online referral form and ensuring clients who needed emergency food knew of the new Affordable Food Hub in Carlisle.

**Citizens Advice Copeland** supported the Thrift Hub, where 12 weeks support can be put in place with a weekly food delivery whilst the client is working with us on the underlying need for food; we administered, in partnership with Allerdale Citizens Advice, a voucher of £49 for fuel for clients on income related benefit and pre-payments meters. We worked with Whitehaven, Egremont and District Credit Union to administer a hardship fund. We were active and committed participants in West Cumbria Domestic Abuse Partnership, Copeland Food and Financial Resilience, Copeland Thriving Communities Group.

**Citizens Advice Barrow** worked in partnership with partners in the Barrow Advice Hub (Mind in Furness, Project John, Barrow and District Disability Association and the Foodbank) to provide emergency support to individuals from both the Lottery Help through Crisis Project and Barrow Borough Councils Hardship Fund. These funds included support with food, energy bills (over and above the Covid winter Fuel grants), white goods, equipment for disabled people, travel costs, clothing and accommodation costs, TV

licenses and Debt Relief Order fees. Local agencies and community groups were specifically asked not to publicize these funds but to refer and signpost individuals about whom they had concerns to Barrow CA.

**Citizens Advice Allerdale** worked closely with the Allerdale Resilience Group, DWP, Cumbria CC & Local Area Committees, Community Foundation, Rotary, Energy Redress and others to support clients in obtaining emergency funding for clothes or food or other necessities.

**Citizens Advice South Lakes** worked closely with all local partners to support clients in hardship and ensure the response to the pandemic was informed by our experiences working with local people affected.

## Other related issues

### Responding to hardship

In many communities, the first indicator of the scale of the financial difficulties people were facing was an increase in the use of food banks and other food projects. This was initially most striking in the communities where incomes tended to be lower (presumably as people had very limited access to savings or credit) but has been seen across Cumbria. As examples, the Barrow Foodbank saw a 400% increase in demand in the early weeks of lockdown, and South Lakeland has seen an increase in the number of food projects from 5 to 14. Where clients approached us for a foodbank referral we also ensured we explored and helped to resolve the underlying reason for not being able to afford food. This included reviewing benefit entitlement and offering advice about debt and other issues.

### Face to face support for vulnerable people

The withdrawal or reduction of face-to-face support across all services has had a major impact on many people across Cumbria. The most vulnerable people have not adapted to the provision of services by phone or email and remain isolated and in need. As we cautiously open our offices again, we are receiving requests for in person support by clients who have been unable to access it by any other means.

### Digital access

The pandemic pushed people online for all forms of essential communication and access – from online shopping to accessing prescriptions, and communicating with GPs and other health professionals. Despite the public perception of how the pandemic has moved things forward in terms of many people's confidence and familiarity with digital platforms and means of communication, at Citizens Advice we are very aware of those

who are excluded by these very assumptions. We have had long standing concerns about the impact of assumptions of digital access on both rural populations and those in areas of high deprivation. Barrow, for example, has some of the highest levels of digital exclusion/incapability in the UK. We estimate as many as 50% of Citizens Advice clients may have some difficulty with literacy or numeracy or IT literacy – or any combination of those and research has demonstrated that where an older individual is isolated, he/she is less likely to accept the offer of an Internet connection.

A recent Citizens Advice Rural Issue Group report stated that there are many implications of an individual being digitally excluded: it affects family, work, benefits and play, and they have been emphasised in the pandemic period. Some examples are:

- Unable to apply for jobs, benefits and to seek advice or other forms of help
- Unable/difficult to obtain supermarket delivery service (to protect those who need Shielding and those who are clinically more vulnerable)
- Unable to see family and friends and general lack of social contact
- Unable to learn new skills
- Limited news/uninformed and lacking entertainment - many people now play games and watch television/movies online
- Limited access to shopping and other services.

One of our local Citizens Advice organisations worked with a client who could not take part in digital court proceedings and was also unable to register or bid for a property on Cumbria Choice Based Lettings and needed our support to overcome these obstacles.

There are two dominant obstacles to Digital Inclusion: the cost of equipment and services, and the possession of limited skills and/or literacy. We infer that of those who are deterred from Internet access by the cost, a large proportion will be those who are disadvantaged. While we note and applaud the recent offer by BT of reductions for benefit claimants, we also note that many of our clients are struggling to pay for an Internet Service while relying on benefits that are frozen at 2013 levels.<sup>21</sup>

## **Loneliness, Isolation and mental health issues**

Our staff and volunteers report that most clients they have dealt with during the pandemic period expressed a level of increased mental ill health including anxiety, depression and hopelessness and this impacted on their resilience in dealing with life problems. The pandemic has contributed to this with the withdrawal of support services, worries and anxiety about the future, relationship problems and financial worries.

---

<sup>21</sup> Citizens Advice Rural Issues Group; Computer Says No; a study of Digital Inclusion, considering whether it is different for rural people (2021)

A recent workshop at Citizens Advice national Conference (November 2021) generated this perspective from Citizens Advice staff around the country – all of which will be true in Cumbria.

# What do you think the big challenges will be for people this winter and spring?



## Research and campaigns work

Nationally, Citizens Advice have been vocal and active in research and campaigns around some of the issues and impacts of the pandemic and have published numerous reports:

[Rising Pressure on Household Budgets](#)

[Life on less than zero](#)

[Near the Cliff Edge; how to protect households facing debt during Covid 19](#)

[Unavoidable Debt: Coronavirus Council Tax Debt](#)

[Roadblock to Recovery; why the rules in Universal Credit are creating barriers to work](#)

In addition, throughout 2021 all local Citizens Advice organisations were actively campaigning to raise awareness of the impact of removing the £20 “uplift” to Universal Credit that was brought in at the start of the pandemic. Along with conventional media press releases, in Cumbria we have been involved in social media campaigns on Twitter and Facebook and also wrote to all Cumbrian MPs, including a personalised briefing document highlighting the impact the removal of the money will have on their local

constituents. We have been encouraged that most local MPs responded and came out in favour of retaining the increase but have been disappointed that the cut has now been implemented by the government. We are already seeing the evidence from our clients of the impact this is having and feel that the £500m Hardship Fund announced by the government will go nowhere near far enough in addressing the resulting need.

## Brian's Story

*Brian was signposted to us by his GP after his wife of more than 40 years died because of Covid. Brian confessed he left everything to do with money, the house, shopping, bills etc, to his wife and he simply had no idea about the household income. It became clear in the first phone call that Brian needed face to face support to make sure he not only understood the advice he would receive but to assess his mental wellbeing and capacity to manage his life.*

*We did a full benefit check, completed applications for all benefits in Brian's name, applied for grants for funeral costs, supported him to open a basic bank account, supported the tenancy of his home to be changed solely to him. As part of helping Brian understand his weekly budget, we carried out checks to secure him the best deals for his gas, electricity and phone. When his boiler broke down, he had gone a few weeks without hot water or heating - we arranged and used our hardship fund to pay for a local trusted handyman to check the boiler and teach Brian how to carry out the simple repair himself.*

*After our support, Brian said "the good thing is I know to ask you (Citizens Advice) for help if I get stuck and don't know what to do"*



# Planning for the future

The most recent publication from national Citizens Advice – The Coming Storm (September 2021). shows that people could struggle even more to make ends meet in the coming months. For example, at a national level, the number of people coming to us about fuel debt has risen over the course of the pandemic. Our data shows that it's often not their only problem. Over a quarter of those we've helped with fuel debt in the last three months are also facing other debts, especially unpaid council tax bills. More than one in five are struggling so much that they have needed further emergency charitable support - like grants and in-kind support for things like furniture and clothes. Our research has shown that energy price rises, coupled with the reduction in Universal Credit, will push three quarters of those we help with benefits and debt into a negative budget. Recently, views to our debt and money advice pages have been increasing and passed pre-pandemic levels at the end of July. This has been driven by a rise in views to our pages on budgeting. We've also seen nearly a fourfold increase in views to our page advising people on how they can increase their income to deal with debts - the highest number of views this page has ever had. This shows that people are already worried about making ends meet. Ending the support measures in place and increasing the energy price cap is likely to make their situations even worse.

Citizens Advice Cumbria acknowledges that the legacy of the pandemic will be with us for many years to come. On top of this, the cut to Universal Credit, increase in National Insurance contributions and the energy crisis (resulting in higher bills) mean that low paid, vulnerable residents across Cumbria will find their household budgets being squeezed still further. These residents will turn to Citizens Advice for help and advice.

All Citizens Advice across Cumbria are now busily planning for how we can best continue to support local people. As a small network of local Citizens Advice, we have successfully collaborated on several initiatives since March 2020 including administering grant funding, volunteer recruitment and training and research and campaigns actions and will continue to do so. We will undoubtedly continue to run a blended service of phone, email, webchat advice but all are keen to open up again, safely, for face-to-face contact with vulnerable clients who really need support. As small local charities we continue to be challenged by the funding and contracting environment that is often focused on areas with denser populations. We are aware of the impact local government re-organisation in the coming months may have on our established relationships and partnerships with local authorities. We plan to continue to engage with all local recovery and resilience groups to make sure the needs of our clients are met in future recovery planning.

# Conclusion

- **An issue in one area can quickly lead to related problems.** For example, having a sudden drop in income, whether you lose your job or not, can quickly lead to debt problems, which can cause issues down the line with access to housing. People need tailored support in tackling issues and finding a way forward. **Those who've come to us for help in the first half of 2021 have sought advice on 48% more issues than in the first six months of the crisis.**
- **Much of the pain is still to come.** Although most households do not have the luxury of substantial savings, some of those who have lost income because of the pandemic will have been able to draw on small reserves or borrow from family and friends. As the financial effects of the pandemic continue, more of those will have been used up. Small arrears that might have been manageable in the short term are likely to have escalated, perhaps incurring financial penalties, disconnections from services, and evictions from housing if they are not addressed. Temporary government programmes have provided a lifeline, but there will be significant impact as these are withdrawn.
- **Importance of early intervention;** the benefit system is complex, and the needs of households vary across the county. Some just need up to date information, others will need support as they face income shock, whilst more still will need support against potential or actual homelessness and debt. Recent studies (JRF) show that the deeper someone is in poverty or financial crisis the less likely they can engage with employment support. People need to be in a stable financial position to even start looking for employment opportunities. The role of front line organisations like Citizens Advice is more important than ever.
- What *is* certain is that we will continue to provide free, expert, impartial advice, working with partners to ensure people have the support they need.

## We'll continue to be here to help those who need us

*"I had contact with Citizens Advice in Cumbria and I have to say that they are incredible: kind, compassionate and ready to explain everything that I needed to know. After speaking with them you feel a burden lifted off your shoulder"*

# Acknowledgements

Thanks to Citizens Advice Hertsmere and Citizens Advice East Herts who shared their publications which we have drawn on when writing this report.

Thanks to the volunteers and staff at Citizens Advice Cumbria who have worked so hard throughout 2020 and 2021, working from their homes to ensure those who've needed our help have been able to access it.

Thanks to the Research and Campaigns team who have contributed to the writing of this report, particularly Jake Marshall.

Thanks to Laura Rutter (Cumbria CVS) for visual on front page

Thanks to all those who help to fund our free advice service and those who have helped us to meet some of the unexpected costs of responding to the pandemic.

## Further Information

Citizens Advice Allerdale - Martin Telford

[Martin.telford@citizensadviceallerdale.org.uk](mailto:Martin.telford@citizensadviceallerdale.org.uk)

Citizens Advice Barrow - Christine McKinlay

[Ceo@barrowcitizensadvice.org.uk](mailto:Ceo@barrowcitizensadvice.org.uk)

Citizens Advice Carlisle and Eden - Andy Auld

[Andy.auld@ca-ce.org.uk](mailto:Andy.auld@ca-ce.org.uk)

Citizens Advice Copeland - Shelley Hewitson

[Shelley@cacopeland.org](mailto:Shelley@cacopeland.org)

Citizens Advice South Lakes - Karen Evans

[Manager@southlakesca.org.uk](mailto:Manager@southlakesca.org.uk)



Charity registration number 1079229. Company limited by guarantee. Registered number 03865647. Registered office: Citizens Advice Carlisle And Eden Office, 2, Sandgate, Penrith, Cumbria, England, CA11 7TP