

Zero-Based Review of Citizens Advice and Citizens Advice Scotland: External Evaluation

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Introduction

This report is an external evaluation to assist DTI in carrying out the zero-based review.

DTI provides core funding as grant-in-aid for Citizens Advice (CitA) and Citizens Advice Scotland (CAS). It acts on behalf of government as a whole, including, in the case of CAS, the Scottish Executive.

CitA and CAS do not in general provide advice services to members of the public. However, on-line advice is provided through Adviceguide.org.uk. Other than this, advice to the public is undertaken by Citizens Advice Bureaux which are located throughout England, Wales and Scotland. There are also offices in Northern Ireland but their activities are not part of this review.

The aims of CitA and CAS are to

- develop, support, represent and lead the Citizens Advice Bureau service
- set and maintain standards in the service
- translate the experience of bureau clients into evidence-based policy inputs to government, other policy makers, and public and private sector service providers.

The review seeks to address whether the current way in which CitA and CAS operate will meet the needs of the future, including both the needs of the citizens advice service and their funders, and to explore the scope for improved effectiveness and efficiency, and whether the organisations provide good value for money.

The review will focus on CitA and CAS as organisations but it has to be recognised that CitA and CAS are part of the wider Citizens Advice Service and they operate as membership organisations with responsibilities as registered charities. CitA and CAS are inextricably linked to the way the Bureaux themselves operate. Any changes to CitA or CAS may have a knock-on impact on the bureaux, which cannot be ignored. Similarly any changes to the way that the Bureaux operate may have a knock-on impact on CitA and CAS. In addition, any changes to the functioning of the bureau service may have an impact on Government Departments.

The Department of Constitutional Affairs has recently completed a review of the provision of advice (Getting earlier, better advice to vulnerable people, Department of Constitutional Affairs, March 2006) and its conclusions are taken into account in this evaluation. Another review, of the provision of advice across all government networks is underway, and this is referred to later. A review of legal advice in Scotland is also in train and the likely implications are taken into account.

The key questions specified for the review, and hence for this evaluation, follow.

“Looking ahead to say 2010 and considering the changing advice landscape and increasing budgetary constraints, including the scenario of DTI budgets being cut:

- Are CitA and CAS providing the right services for the Bureaux and the funders or do they need to change their priorities?
- Are there other ways in which they might operate, for example, through greater collaboration with other organisations?

- What scope is there for using new technologies to improve effectiveness and efficiency?
- What might be the impact of greater competition with other advice providers and the rationalisation of advice provision by Government Departments?
- Are there other funding models that might be used, for example, more financial support from the Bureaux or more financial support from OGDs where CitA and CAS make a contribution to the achievement of their objectives and the realisation of efficiency savings across Government?
- What is the right balance between short term project funding and long term core funding?
- Do CitA and CAS provide good VFM? How do they compare to each other and CitA Northern Ireland? How do they compare to other advice providers? What scope is there for improving efficiency?
- Are there any lessons for UK in the way that information and advice is provided in other similar countries?"

Approach to the evaluation

In carrying out the evaluation, interviews were held with government departments and agencies, with stakeholders of CitA and CAS, including representative bureaux, and with CitA and CAS themselves. A full list of those interviewed is attached as Annex 1. The work was carried out between early May and mid-June 2006.

CitA and CAS have both given their views to DTI in submissions which have been discussed in the project board, which includes representatives from interested departments. Copies of their submissions are available from DTI. They formed key documents for this evaluation, but much further written information was collected as part of this evaluation. It is listed at Annex 2 and will be retained by DTI.

All those approached agreed to give their views. Considerable assistance was given by CitA and CAS in obtaining material and setting up meetings, and the work of Mark Atkinson at CitA and Neil MacInnes at CAS was especially appreciated.

After a short introductory section the above questions are addressed sequentially, and recommendations made for consideration by the department and the project board. A concluding section draws together the results of the evaluation, and provides a list of the recommendations.

Responses to Key Questions

Are CitA and CAS providing the right services for the bureaux and the funders or do they need to change their priorities?

The bureaux service is based on volunteers - around 24 000 throughout the UK - in giving advice to clients, providing some administrative and other support in the office and acting as trustees on the boards of bureaux. In all these roles, but especially in the key one of advising clients, training and support are vital. In the two membership organisations with a total of about 525 bureaux as members, all of whom have the same objectives, the organisation and delivery of services from a central point provides economies of scale.

The quality of service on offer to clients varies somewhat from bureau to bureau across the network, as almost all stakeholders and some in the network itself have pointed out. However, the maintenance of an acceptable minimum standard of service is sought by audit of each bureau against common agreed standards for members, with accreditation providing assurance to clients and funders alike that these standards have been reached. Where bureaux fail to meet these standards, support services from CitA and CAS assist them to improve quickly, concentrating on the areas of weakness. Common IT services, especially if members are linked to each other and to the centre, provide for better and faster information flows so that bureaux can get help on organisational and management issues, client information can be made available quickly to advisers, and statistics more easily collected and used to inform and influence government.

The network of bureaux can benefit from understanding and applying best practice developed at one point in the network. CitA and CAS collect information and experience about best practice and ensure that it is made available in a digestible form to all bureaux, which can then be coached on its application if necessary. The availability of consultancy advice to management of bureaux also takes advantage of knowledge developed in the network.

This account provides the general rationale for the establishment and development of CitA and CAS. The services provided by bureaux to clients are free and the bulk of finance for the bureaux comes from the public sector. Bureaux are funded individually by local authorities and by a range of government departments and agencies. Funding of the core services described above is logically done at national level, and that is the purpose of DTI's grant-in-aid. Without this central support, it is hard to see how bureaux would survive in their present form as trusted suppliers of free, good quality advice to 5 million clients each year.

The details of the services provided by CitA and CAS to the bureaux, and the balance of expenditure between them, depend upon feedback from the users, as measured by formal surveys, by discussion at meetings of Trustees, and by informal discussions which are frequent in a closely-knit structure. What can be provided in total is dependent on the available funds, amongst which the DTI grant is the most important, and the benefit that will be achieved by each investment. The submissions by CitA and CAS in response to this review describe the current and planned future expenditure on services.

Citizens Advice has carried out a recent survey to determine the views of the bureaux on the services it supplies to them. The results are favourable, in that overall 89 percent of the responses give a very favourable or favourable response. These conclusions were not challenged during the evaluation in discussions with stakeholders, funders or a sample of bureaux themselves. However, some points on services are set out in the following paragraphs.

Training of volunteer recruits is carried out differently by CitA and CAS, although there is some convergence in thinking in that both are moving to incorporate electronic learning alongside traditional learning methods (what is termed “blended learning”). The use of new technology appears to be going well.

CAS provides part of its volunteer training by cascade, under which some of the trainees in turn act as trainers within their Bureaux for other volunteers. This is an attractive idea in reducing travel and other costs, but the relative effectiveness of direct and cascade learning has not been compared. The unit costs of training appear moderate. This is an example of different approaches taken by CitA and CAS for reasons which appear valid to each organisation. However, there does not appear to have been an attempt to compare value for money in the two cases, and the general issue of CitA and CAS working together more closely on this and other issues is dealt with later in this report.

Accreditation services are provided in-house by CitA and by CAS. There is an audit cycle which at present requires each bureau to be evaluated in two main areas- quality of advice and organisation of the bureau- every three years, although minor exceptions to this cycle appear to be permissible. If a bureau fails one or both areas, it has 12 months to reach the standard. Serious cases of failure are referred to a committee of the board, and in the case of CAS, there is an expert group. Considerable support is available from CitA and CAS. The ultimate sanction is the withdrawal of membership and the closure of the bureau. This has happened rarely. In these circumstances, there would be an attempt to get a neighbouring bureau to take it over.

Many of those interviewed thought that standards of advice varied quite widely within the service. This provides impetus for improvement. The failure rate at audit should decline with successive audit cycles, and this should be reflected after a lag in the perceptions of stakeholders. In the first three year cycle of audits by CAS, over 40 per cent of bureaux subject to audit failed in one or both areas, although remedial action reduced the failure rate on re-audit substantially.

Despite - or perhaps because of - the comments about quality standards, the audit and accreditation process is widely welcome by stakeholders as well as by the bureaux themselves, although there were some expressions of concern about the cost of accreditation. Other advice providers were concerned about the competitive advantage given to bureaux by accreditation, which forms an important part of the brand of citizens advice.

One feature which is uncommon is that accreditation is not fully independent, in that CitA and CAS, which have a close link through the membership scheme to the CABs, carry out the accreditation. In the commercial world, accreditation services are normally provided by an independent company. However, there are safeguards against complicity, the audit and assessment is carried out by trained staff and stakeholders expressed no doubts about the value of accreditation itself. The Access to Justice Act 1999 cites CitA as having the power to accredit and award the

Commission for Legal Services general help Quality Mark. This is an illustration of the standing of the audit and accreditation system run by CitA.

It is understood that the use of an independent accreditation organisation was examined some years ago but the costs would have been much higher than the arrangements adopted.

There were specific and enthusiastic mentions of the development funds run by CitA and CAS, which can be used to support new ventures, capital investment in buildings and so on. The supporters of these funds thought that a number of bureaux developments, including the opening of outreach branches from a bureau, would be difficult without access to the fund.

The availability of these services undoubtedly relieves the pressure felt by the managers of individual Bureaux although it is unique in the advice sector, and other advice networks, such as Advice UK, complain about over-resourcing of the citizens advice network and under-resourcing of theirs. This point will be taken up at the end of the review.

Both CitA and CAS have benefited from investment in IT, although electronic systems have been more extensively introduced at the former as a result of a grant of around £20 million in 2002 under the "Invest to Save" programme.

This programme provided for the development and installation in all bureaux in England and Wales of a sophisticated case management system (CASE) under which bureaux can record and follow the progress of cases. It also provides means for CitA to be kept informed nationally of the issues which are of importance to people. This provides a powerful tool for informing government of how its policies are affecting people, one of the two central aims of the citizens advice network. Feedback can still be provided to government without such a system, as CAS has demonstrated in its continuing work to evaluate the significance of changes in government policy and communicate them to government. However, CASE does provide an extra dimension, both for the bureaux in managing their casework and for the centre in collecting and collating information more easily, and possibly more reliably.

Discussion with the bureaux directly, although admittedly in a small sample, and with funders, however, suggests some problems with CASE. This is not yet in use throughout the network. CitA said that 90 per cent of bureaux used CASE in some form, but only about 65 per cent used its full range of functions. Several of those interviewed who had used the system commented that it was over-complex and not user-friendly. The comment by the chief executive of CitA at the first meeting of the steering group for the review that it was planned to have CASE fully implemented by the end of 2006/07 itself suggests that adoption has been slow. Funders also recognised that CASE had not been fully implemented.

It would be unfair to ascribe the difficulties over CASE wholly to CitA. Bureaux are at times conservative, and some resent initiatives from the centre. Not all volunteers will have adequate computer literacy. Nevertheless, the CASE project has not yet met the objective of universal use. It is interesting that CitA state that a further deep cut in funding by the government would force them to abandon the CASE system- apparently because running costs are heavy.

CitA and bureau managers should increase their efforts to have CASE fully implemented as soon as possible, and measure the position reached at the end

of the 2006/07 year as a means of providing assurance to funders that the project has been successfully implemented and past investment safeguarded.

The position is more difficult for CAS. It has followed another path. After advice, CAS decided that the CASE system was not optimum for their uses. CAS developed a proprietary software product to provide for case management. It is about to be tested as a pilot, with the acronym CASTLE, in one of the larger Scottish bureaux. If that is successful, CAS will look for funding to make the necessary capital investment and provide for support services. Similar benefits to those that accrue to government from CASE should be possible with CASTLE, although devolution is likely to make the system requirements more complex. Consistent with the desirability of developing infrastructure that is put to the greatest possible use, ***if the case management system under development by CAS receives public funding, this should be conditional on the system being made available to any provider of advice services.***

There was strong praise for the information system used by advisers in the bureaux, although some thought the search engine was slow, a criticism of which CitA is aware. Information is provided electronically over the intranet as Advisernet and is updated as required, day-by-day, so that the advisers all have access to the same source of advice without delay. CitA and CAS staff work together closely throughout the drafting of the information, which is also used within the CAS network, after any necessary amendments have been made by CAS to take account of differences between the legal position or procedures in Scotland and the rest of the UK. Similar steps are carried out by staff in Wales and Northern Ireland. As the body of legislation passed by the Scottish Parliament has increased, the differences have also increased, and there are also differences in some matters which are not devolved, for example in the treatment of debt.

CAS and CitA work very closely on the information system, with CAS staff commenting on new material drafted for use by Bureaux in England and Wales. This is an excellent example of joint working to produce a fine product.

The system could however be of greater use to the public and to other advice providers. This is covered later in the report.

Work for government under contract

As to the services offered by the CitA and bureau network in response to contracts offered by Government departments or agencies, the picture is mixed. Generally the network appeared to provide good service under contract. In one case-but involving a major project- performance was, in the view of the funder, poor. In 2003 the Department of Health engaged the CitA network as one of four contractors to provide advice to NHS patients who wished to make a complaint about the treatment they had received. The contract for the Independent Complaints Advisory Service was put out to tender again in 2006 and on this occasion the CitA network failed to win any part of the contract. Their attitude suggested to the department that they knew better than the Department what was wanted. They failed to manage the first contract adequately, and relations with the contractor and with bureaux were poor. However, actual delivery of the service by the bureaux was satisfactory, and many of the advisers have been recruited by the re-appointed contractors to deliver services

under the 2006 contract. In the view of the department, CitA showed little knowledge of the bureaux which were delivering the services on behalf of the network. Their tender for the new contract did not address the requirements of the department, and they showed little interest in collaborating with the other successful contractors from the first round.

It is quite reasonable for an experienced supplier of advice such as the CitA network to take the view that it can help the government to decide what is required on the ground. However, the manner in which CitA expresses its views and the subsequent execution of any contract should be professional, which do not appear to be the case here. The response by CitA has been to commission an independent review of its performance on this contract. The report provides a coherent and constructive criticism of its performance. It has been circulated within the network and put to the board of Trustees.

The more recent experience described by DTI in assessing a major bid by the CitA network to provide money advice under the Financial Inclusion Fund is a good deal more encouraging so far, suggesting that CitA has learnt lessons from its performance on health complaints.

The position appears different for CAS, in that there have been no Scottish incidents similar to that described above for the Department of Health, and the network seems to be well regarded in the Scottish Executive, where no criticisms were raised about the performance of the CAS/bureaux network.

Advice on discrimination

Looking forward, advice on discrimination will become more important. CitA and CAS have noted the developing policies on discrimination, with the new Commission for Equality and Human Rights due to become established next year. CEHR will provide new assistance in the fields of sexual orientation, religion, belief and old age and build on the work of the existing equality Commissions.

The Women and Equalities Unit explained that they have already worked with CitA and the bureaux on several projects to pilot awareness raising, training of advisers and so on. This was confirmed in discussions with CitA, which described its pilot activities in more detail. CEHR appears likely to wish to work with advice networks as partners so that their advisers can provide support to clients who suffer from discrimination. There should be major opportunities for CitA and CAS to contribute in partnership with others to this field of growing importance. Work to combat discrimination is consistent with the fundamental principles of the citizens advice network.

One issue that could arise for citizens advice network when offering guidance to minority clients is the conviction with which it can claim to be representative of a multicultural country. Some survey research undertaken by the Disability Rights Commission and the Commission for Racial Equality shows that disabled people and black and Asian clients (on discrimination issues) are likely to use bureaux in preference to other sources of help, and that they made up a high proportion of clients in some bureaux. There was also some evidence that black and minority ethnic and mixed race clients made up a reasonable proportion of volunteers in some bureaux.

The proportion of ethnic minorities is lower in Scotland than in England, but here too there is some evidence that minorities are quite well represented in recent volunteers. At the Maryhill bureau in Glasgow, there has been a conscious effort to recruit volunteers from local asylum seekers. This has yielded good results. More such projects may be needed to ensure the future credibility of the citizens advice bureaux with potential clients and also with funders.

Advice to government

One of the aims of CitA and CAS is to translate the experience of the clients of bureaux into evidence-based advice to policy makers so that they can improve the effectiveness and efficiency of the delivery of public services.

The views of a number of departments were sought during the evaluation, and CitA and CAS were asked to set out the contributions they had made to policy development through their interactions with departments. Both CitA and CAS were able to describe a number of issues which they had raised with departments, and there was a good correlation between these and the issues mentioned by departments. Most departments thought that Citizens advice had been influential in contributing to the development of policy, and they welcomed the strength of the case mounted through the deployment of statistical evidence, as well as examples of individual problems, which CitA and CAS had deployed. In Scotland, the Scottish Executive said that CAS had a good reputation for influencing policy, and MSPs had praised CAS for its professional approach to briefing. CAS was a very frequent contributor to consultations by the Executive.

The Welsh Assembly Government officials commented in similar terms about the role of CitA in Wales, which is heavily engaged in policy development. Politicians in Wales regularly look for advice from outside bodies as well as their civil servants, and the director for CitA in Wales is especially well connected and carries considerable influence. Amongst Whitehall departments, the Department of Work and Pensions said that the reports by CitA and CAS to the department were often critical but well argued. They contributed to many regular consultation panels. CitA was at present advising the department on the top six issues relevant to the department raised by clients, although this was at the request of the department rather than at their own initiative.

The Social Exclusion Unit thought that the bureaux played a very important role in tackling social exclusion but they considered that CitA could pass more information back to the unit, and could do more in lobbying the unit on issues of deprivation. The views of Employment Relations in DTI were also more critical, commenting that there had been relatively little feedback from CitA on employment rights issues, and it did not appear to be proactive.

The Department of Food and Rural Affairs has worked with CitA over the past few years on rural issues. One post is at present funded at CitA, and CitA is providing statistical information on rural deprivation from the bureaux activities. The relationship appeared to work satisfactorily, although it was not yet clear to DEFRA that the data supplied would add to the department's knowledge. CitA was a regular consultee on rural issues, and DEFRA had a good level of interaction with it.

The picture described above shows real strengths but also variable engagement with government, with some departments reporting more dialogue than others. This is consistent with the results of a survey of stakeholders carried out by Opinion Leader Research in June 2005. Overall, there was a great deal of respect for CitA, particularly for the evidence base and the service CitA provided. However, most of those interviewed thought that CitA could do more to influence policy, using its evidence base drawn from bureaux. Amongst a relatively small group from within government, the survey indicated a high number of poorly informed respondents, indicating the need for greater communication with this group, and the opportunity for DTI to champion Citizens Advice across government.

There is comparable survey evidence for CAS.....see page 21 of their submission .

CitA and CAS should jointly consider a detailed mapping of their current government contacts so as to identify gaps in influence which could be relevant to their influence on policymakers. Better coordination between DTI (as the sponsor of CitA and CAS) and other departments is the subject of a later recommendation.

Are there other ways in which CitA and CAS might operate, for example through greater co-operation with other bodies?

What might be the impact of greater competition with other service providers and the rationalisation of advice provision by government departments?

Although they were listed as separate issues in the terms of reference for the review, competition and collaboration are best discussed together.

The market for advisory services is not a conventional one in that advice is generally provided free. Advice itself is a “public good”. Most of the organisations providing advice are not-for-profit. Nevertheless, competition runs strongly in the sector, while at the same time, collaboration between providers is becoming more common, sometimes stimulated by funders, but sometimes at the initiative of advice providers.

Co-operation in providing advice

The Citizens Advice networks in England and Wales, and in Scotland have a significant number of recent examples of partnerships with other organisations which seek to provide a more effective or efficient service than each partner could do on their own. For example, CAS and the Scottish Bureaux are working with Age Concern Scotland to provide advice to older people through a national telephone line operated by Age Concern. CitA has effective partnerships with Shelter on providing advice on homeless issues and with the Macmillan Cancer Relief Fund to provide generalist advice to people affected by cancer.

In Northern Ireland, which is not covered in this review, the Department of Social Development has recently begun to introduce new policies for the provision of advice, following the publication of a strategy last year. (Strategy for supporting

delivery of voluntary advice services to the community, Department of Social Development, December 2005). At present, there is duplication in some areas with gaps in others. There are three main providers, Citizens Advice, Advice Northern Ireland and the Northern Ireland Law Centre, all of which receive core funding from DSD. The three organisations have come together in the Advice Services Alliance, similar to the network formed by these three, with others, in Great Britain.

Under the new policy in Northern Ireland, a network of primary generalist providers will be established, known as area hubs. The hubs will provide general advice and act as referral points to specialist agencies. All local services will be linked to the area hubs. Local Authorities will contract for the hubs, where they expect to encourage collaboration between advice providers from the Advice Service Alliance. The Department of Social Development will establish a government advice and information group where government departments involved in funding advice and guidance can share information, ensuring best use of funding and agreeing the principles to be applied to advice and information work at regional and local levels. The Advice Services Alliance will have a key role in implementing the strategy and producing and subsequently assessing quality standards. This will include IT-based case recording systems and reporting standards. However, competition is likely to continue for the provision of specialist services, as was the case recently for support for money advice. Although AdviceNI and Citizens Advice Northern Ireland worked together on a pilot, they could not agree to work together on the main project, where the tender was won by Citizens Advice.

In Wales, the Welsh Assembly Government (WAG) has a policy of encouraging partnerships with service deliverers. Advice provision across Wales is variable, reflecting considerable variations in funding by local authorities. Citizens Advice and the bureaux have a strong position as providers. Bureaux have won additional funding from WAG in some of the Community First deprived areas. However, this funding has been for bureaux staff to act as mentors, trainers and builders of capacity rather than for direct provision of advice.

The bureaux network has been dominant as a generalist advice provider in Wales, although the Cardiff Law Centre has also achieved an important position in Cardiff. Other organisations tended to provide specialist advice. There is good accord between providers in the Community Legal Services partnership meetings. The Beecham review of the delivery of public services will report in July. This is likely to envisage a bigger role for voluntary sector providers of services, with a strong drive to encourage partnership working further. The citizens advice network is regarded by WAG as being in the forefront of the partnership agenda.

Government initiatives

Government initiatives over the past few years have greatly increased the range and scope of information and advice available to the public. However, there is no consistent government policy on how and by whom advice should be provided. Some of this has been provided direct by government bodies, while the remainder has involved independent provision by organisations from the not-for-profit sector. Telephone, web-based and face-to-face advice all feature in recent developments.

The review conducted recently by the Department of Constitutional Affairs points to the uncoordinated and fragmented way in which both central and local government fund and commission advice services. The review recommended that different areas

of government should work more effectively together to commission advice that fits people's needs, and that are delivered in places, at times, and in ways that best allow people to use them. Further work is in hand to see how this might be implemented.

Funders normally tender for services in the conventional way, seeking competitive bids, which are assessed against pre-determined criteria. The contract is awarded to the supplier who offers the best value for money. Funders are increasingly interested in partnerships between providers, or in contracting with different providers in different parts of the country, so that the required services can be delivered effectively and efficiently. A good example of this approach is shown in the recent award of contracts by DTI under the Financial Inclusion Fund for money advice to deprived people. A number of the individual contracts involved partnerships.

The implication of this approach is that advice providers are working in a market which values both competition and collaboration. CitA will find itself increasingly obliged to look for effective partners who can complement their skills and knowledge. They will need to manage contract negotiations, leading the bureaux but not dominating them, and recognising that part of the competition may come from within the network. For example, bureaux may soon decide to bid for work outside their area. There is a general need to build further capacity within the citizens advice network to respond to this new environment.

Recent developments in England illustrate the trend. Following from the conclusion of the DCA review mentioned above, the Legal Services Commission has decided to establish integrated centres for the provision of legal advice in communities (CLACs) where there is a sufficient concentration of potential clients with a background of deprivation. The intention is that CLACs will be funded by the Legal Services Commission in partnership with local authorities. These centres will be established through tenders which require collaboration between organisations providing advice, if they are not able to cover all the required services from within their own resources. Within the centre, clients will be directly referred from an introductory general adviser to the necessary specialist adviser in all the main areas requiring legal advice. Invitations to tender have just been published for two pilot CLACs in Gateshead and Leicester. If successful, the policy would be rolled out across England and Wales. The Legal Services Commission further intends to introduce virtual advice networks (CLANs) in areas where the critical mass of clients judged necessary for a CLAC is not available. Specialist advice will then be provided through referrals as before, although clients will no longer be able to see the specialist adviser in the same building. Organisations which win contracts to establish a CLAC can expect stable funding for several years. Those which fail will struggle to survive alongside the CLAC, which would probably attract significant funding.

In another move to encourage collaboration in the advice sector, the Big Lottery Fund has invited bids for a £5million fund for infrastructure development. Only bids which are put together by collaboration involving the whole sector will be entertained. This is very strong pressure on organisations providing advice to collaborate.

How will these developments affect CAS? Policy on legal advice in Scotland is at present under review, with a bill before the Scottish Parliament. It seems likely there will be opportunities for CAS to extend its services, but it too will increasingly need to establish itself in competition with other providers, and, as for CitA, may need to form partnerships to provide the full range of services requested by funders. In this respect, the position for the two organisations may develop in the same way, with developments on for example legal advice in Scotland coming later than those in England.

CitA has evidently sought to learn from the ICAS project (see above). Nevertheless, comments during several interviews carried out as part of the review suggest that, in the view of funders, and of some stakeholders, CitA remains over-confident of its superiority to other advice providers. While there can be no doubt about the strength of the Citizens Advice brand, backed up by the services provided to CABs, other providers also have advantages.

CAS has not suffered the problems that CitA had over the ICAS contract. It is probable that its smaller size should make it easier for the Scottish network to manage its way around the difficulties experienced by CitA. However, the intrinsic problem caused by the structure of the networks, with the limited ability of CitA and CAS to control the bureaux, suggests that, as a contingency, the report prepared for CitA on the Department of Health project would be useful to CAS as well.

Consequences of changing requirements of funders

The governance structure and configuration of the network of CitA, CAS and the Bureaux may not be fit for purpose in the future world of increased collaboration expected by funders with at the same time increased competition between bidders, whether these are partnerships or single organisations. The boards of CitA and of CAS have a large number of representatives from bureaux, whose perspective would tend to be that of supplier rather than as client of advice services. **Greater representation on the Board of Trustees of the users of services, other stakeholders, and providers of services in the commercial market should be considered as a means of bringing in further external views and expertise.**

In England and Wales there are regional committees, which act as a consultative forum and pass views to the board of trustees. They have no powers over policy. And, as pointed out above, the board of trustees is itself not short of advice from bureaux. These regional committees are serviced by the staff of CitA, and there are travel, training and other costs associated with them. **CitA should consider the abolition of regional committees, with their role in communication falling to regional managers.**

Overall, the number of bureaux has been declining slowly but steadily. In 2002 in England, Wales and Northern Ireland there were 527 Bureaux. There are now 464. (The position is somewhat different in Scotland, where there has been an upward trend in recent years, although there are also signs of some future rationalisation, for example in Edinburgh.)

This has come about through consolidation, with the formation of fewer larger bureaux, sometimes initiated by local authorities' decisions on funding. In general this has given benefits, with economies of scale in a number of areas of operation, such as recruitment and training, as well as in the costs of governance. Bigger bureaux should be able to attract board members and managers with wider experience, and be better able to deal themselves with the issues that at present require support from CitA. Furthermore, trends outlined above in funding the provision of advice will make it more difficult for smaller bureaux to take on the substantial management and financial responsibilities inherent in, for example, Community Legal Advice Centres. If the citizens advice network does not engage in these new structures, bureaux in the locality of a CLAC are likely to find it very difficult to continue to attract funding from

local authorities, which the Legal Services Commission expects to be co-funders of the new CLACs.

There are also disadvantages in having large bureaux. They may be less flexible and less in touch with local communities, although these points are by no means axiomatic.

The steady trend towards fewer, larger bureaux suggests the future lies with them. ***CitA and CAS should seek to increase the effectiveness and efficiency of their networks by taking positive steps to encourage the further rationalisation of bureaux by amalgamation.***

Are there other funding models that might be used, for example, more financial support from the bureaux or more financial support from OGDs where CitA and CAS make a contribution to the achievement of their objectives and the realisation of efficiency savings across government?

At present, DTI pays grant-in-aid to CitA and to CAS as core funding which allows the two organisations to provide a range of services to individual CABs. The issue is whether there are other mechanisms or funders who might replace some or all of the DTI finance.

New sources of funding

One possibility is that the Bureaux could be asked to pay part or all of the full economic cost of the services they receive from CitA and CAS. This would have the advantage of placing CitA in the same position as most other advice providers, who do not in general receive core funding. There are many disadvantages, of which the most important is its lack of practicality, since there are no sources of finance available to the bureaux which would allow them to make such payments. The only likely public sources, local authorities, would undoubtedly refuse to increase their support –and substantial sums would be needed if there was to be a significant impact- without purchasing any increase in services. Bureaux themselves are committed to the provision of free advice and they would refuse to operate in a fee-paying service.

Another model for new sources of funding might be to share the financing between government departments, several of whom have active relationships with CitA and CAS and could be approached for core funds. However, this would be wasteful for Whitehall and for Citizens Advice, and would lead to even greater uncertainty than there is under the present system about the level of funding from year to year.

CitA and CAS have raised funds from the private sector in moderate amounts, but they have not secured a significant proportion of their income from such sources. Since some of the problems suffered by their clients are arguably caused in part by

the private sector, such as money problems from irresponsible lending, it should be possible to create a more active response from parts of the private sector. This would require more responsible companies to accept responsibility for the actions of other companies in their sector. CitA already plans a more vigorous campaign to win financial assistance from private sector donors.

Sponsorship by government

There are two further considerations on financing the network. First, there is the issue of whether sponsorship, and hence funding, of CitA and of CAS should pass from DTI to another Department. A case could be mounted, for example, for DCA taking over the role played by DTI at present. However, DTI has policy responsibility for consumer and employment matters and this probably makes it the department with the largest single interest in the citizens advice network, and so the “natural” sponsor. A recurrent difficulty in funding is that CitA and CAS grant-in-aid has to compete, at times of pressure, with many other calls on DTI’s budget. The budgetary pressures in other departments might be less than in DTI- but they could also be greater, and subject the organisations to even greater volatility.

Experience suggests that a shift of responsibilities often brings about little change for the sponsored organisation, apart from a period of disruption, which can be prolonged. There are also additional costs for Whitehall during the period of transition.

On these arguments, it is probably not sensible to have another department assume responsibility from DTI for funding CitA and CAS.

Strategic planning by CitA and CAS

DTI does not appear to have a great deal of influence over CitA, especially at the time the forward plan is being worked up, although this is partly derived from uncertainty in the scale of government funding beyond the start of a new financial year. A recent survey of government departments for CitA by Opinion Leader Research suggested that DTI should be encouraged to play a greater part in drawing the attention of other departments to the citizens advice network. Both of these points could be addressed if other departments were to work with DTI to discuss the strategic plans proposed by the network. This is consistent with the conclusions of the recent review by the Legal Services Commission. Although DTI would remain the responsible department, it would take account of the views of other departments at the strategic level. This is similar to the way in which English Heritage is funded by the Department of Culture, Media and Sport, but the Department of the Environment, Food and Rural Affairs and the Department for Communities and Local Government are also involved in strategic issues. It also reflects the arrangements which DTI has set up to take forward the review of CitA and CAS. ***DTI should invite other departments with an interest in advice services to take part in collective discussion of strategic plans brought forward by CitA and CAS, and take their views into account in agreeing the strategic plans of CitA and CAS.***

Finally in this section, although other departments do not appear to be appropriate bodies to share core funding of the network, it is clear that project funding is quite another matter, and current arrangements made by departments to establish contracts with CitA, CAS and their partners to carry out specific activities are entirely

sensible and should continue, subject to the need for better coordination of policy generally on advice provision. In this category would fall, for example, the arrangements between the Department of Work and Pensions and the citizens advice service, and also much smaller projects such as the contract placed by DEFRA to fund a rural adviser. If the above recommendation that departments should work with DTI to assess and comment on the organisations' strategic plans is accepted, these departments would be in a better position to commission the project work they require from the appropriate advice provider.

What scope is there for using new technologies to improve effectiveness and efficiency?

In his introductory remarks at the first meeting of the steering group established for this review, the Chief Executive of CitA said that there were 2.5 million potential clients for the network. The issue of unmet demand is critical, and its importance appears to be growing. During the review, one bureau said that it could answer fewer than 10 per cent of the calls it received. At the same time, pressure from drop-in clients has driven many bureaux to have opening hours of a few hours only each day.

CitA and CAS are both concerned about unmet demand and how new technology could be harnessed. Both organisations have development plans. The quinquennial review of 2002 encouraged CitA and CAS to develop a national telephone line, but progress has been patchy. Meantime, others appear to have developed telephone services more quickly. For example, in England and Wales, CLS Direct provides a first point of access for legal advice, and Consumer Direct provides advice over the phone on consumer issues, in Scotland, England and Wales, although neither handles the volume of calls that would be expected for a citizens advice national line.

In the face of unmet demand for advice services, the opportunities offered by new technology need to be quickly seized, especially if they can offer improvements in effectiveness and efficiency. New technologies could also be used to divert clients from the most labour-intensive and expensive-to-provide service of face-to-face counselling so that this service can be reserved for those who really need it, especially socially deprived people. The diverted clients would be expected to help themselves to a significant extent, rather than have full advice provided tailor-made to their circumstances. This implies positive discrimination in favour of the deprived which may sit uneasily with a wish by bureaux to provide the same service levels to all. The issue is addressed in the membership agreement between CitA and the bureaux, although it may need to be more explicitly discussed.

National telephone lines

Telephone systems have become increasingly important for the provision of advice, as shown by the proliferation in the number and range of advice lines funded or operated by government. Bureaux have always used telephone services, although

the limited capacity of the individual bureaux has led to long delays, failed calls, or in extreme cases even the temporary disconnection of the phone service.

There could be a need for more sophisticated telephone answering services akin to a call centre, perhaps with the additional capability of switching calls to specialist advisers or of making appointments for clients to call at their nearest CAB. With the availability of the internet, other possibilities become viable, with information through a website, and response to queries by e-mail. The citizens advice network has not yet exploited these technologies to a significant extent.

The most advanced use of phones identified in the citizens advice network is the work of Citizens Advice Direct, a Glasgow-based bureau which is part of the Scottish network. Citizens Advice Direct was set up by CAS and the other Bureaux in Glasgow to deal with queries from clients when their offices were closed. It has gone on to take part in a number of important projects for the Scottish and recently for the English/Welsh networks which have demonstrated considerable potential for improving access to the bureaux network and for handling clients in an appropriate way through a national phone service.

Preliminary results of a recent pilot for CitA suggest that a system such as is provided by Citizens Advice Direct could deal with a relatively high volume of calls, with experienced advisers applying a triage system so that clients would either get advice at once, be referred to another source of advice, or, in the most serious cases, would have an appointment made for them at their nearest CAB. The pilot also showed that it would be feasible to respond to some of the queries by e-mail, or to set up chat groups, both of which would be interesting innovations for the citizens advice network.

The Department of Constitutional Affairs, DTI and other departments are at present considering how to make better use of existing helplines. There is considerable scope for integration, and it is timely to consider how CitA and CAS might seek to take forward their wish to give better access for clients through a national telephone service.

Given the large investment by government in sophisticated telephone systems, and the growing expertise derived from it, it would not be a good use of resources for CitA and CAS to attempt to set up a parallel system. Instead they should take full advantage of existing investment by government and integrate the citizens advice service with existing government-funded networks. The power of the CAB brand would certainly attract many clients. Effective integration would require co-operation on a grand scale between government and the citizens advice service. Many awkward issues would need to be addressed and solved. However it seems to offer the potential to extend the reach of advice services in an economical way. It also offers the prospect of building on the citizens advice brand and dealing with at least part of the unmet demand for their services, while allowing bureaux to concentrate on those who most require face-to-face advice.

CitA, CAS and the bureaux should give priority to using a national telephone service. CitA and CAS should ensure that any national telephone service is integrated with other advice providers through common telephone services and cross-referrals. Government funders of citizens advice services should require any CitA/CAS national telephone service to be effectively integrated with existing systems.

Information over the internet is available at present at www.adviceguide.org.uk. This is derived by CitA and CAS staff from the electronic information system for advisers, Advisernet, described earlier in this report. Adviceguide is an abbreviated and simplified version of the information in Advisernet. Adviceguide itself is an excellent source of initial advice and could be further promoted with advantage.

The information system used by advisers in Bureaux owes its existence to government funding, and government should decide how the intellectual property can be best used. Further, advice by its nature is a “public good” since one person taking advice does not deprive others from taking advice from the same source.

At present, CitA and CAS license the use of the system to other organisations under conditions set down by DTI some years ago. They sell the information, which is monthly on CD ROMs, and derive some income from that. The organisations are permitted to sell it at commercial rates to organisations that do not provide free advice, but are constrained on the rate to those that do. Their income amounted to £350k and £15k in 2005/06 for the two organisations respectively. However, if the system were to be used more widely by other providers of advice, more clients for advice would benefit. Under present conditions, the forthcoming sales drive by CitA to fresh customers for the information system should bring benefit to all.

If Advisernet were opened to the public by releasing it to the internet in place of, or in addition to, Adviceguide, this would allow the confident user (of advice and of the internet) to draw on CitA/CAS general advice and information. This should lead to a reduction in unmet demand for help. It would be an effective way of achieving wider use of Advisernet. However, there are a number of points that require consideration before this step is taken, including potential loss of income for CitA and CAS, and concern that, as configured at present, the system is too difficult for the uninformed lay person to use. ***CitA, CAS and DTI should examine the benefits and costs for the citizens advice network, and for the public in general, of providing access to a more sophisticated information system, drawing on the best features of Adviceguide and Advisernet.***

What is the right balance between short term project funding and long term core funding?

It is difficult to avoid platitudes in addressing this issue, which has long been the subject of attention.

The organisations under consideration in this review, CitA and CAS, receive core funding from DTI. The grant-in-aid allows the organisations to plan a programme of work which spans a number of years, and permits the bureaux to be confident of the availability of key services, including accreditation and audit, training, information, and support in dealing with governance and human resources issues. In addition, DTI grant-in-aid acts as a lever in attracting funding from other sources, public and private.

With this infrastructure, the citizens advice network can respond to funders who wish to commission short or medium term work. Projects which are large in relation to the existing turnover of the network but involve activity over a relatively short period are the most difficult to deal with, since managing the project and the volatility it will

cause requires considerable skill and flexibility, including in the staff not directly engaged in the project. They may have to assume extra or new responsibilities, or work with reduced levels of supervision. After the project is over, there may be difficulties for staff engaged for the project in finding new posts commensurate with the skills they have developed. These points show the desirability of stability, although that can suppress innovation and experiment, and lead to conservatism.

These are issues for the citizens advice network in an environment of increased project financing for advice services. This looks certain to expand further in future, with more emphasis on forming partnerships to deliver the full range of services required by the project funder.

If the funder is able to wait, it is usually better for all involved if the project begins with one or more pilots. The main phase of the project, if it can be justified after the pilots, can then benefit from the lessons learned. This however is a counsel of perfection. More often, the funder, if part of government, is driven by a timetable which is determined by factors such as the availability of resources from the Treasury at short notice, or the need to address a looming social crisis. In these circumstances, the best that can be done is to establish an open and frank dialogue as quickly as possible with all potential contractors so as to reduce the risks to funder and to contractors.

Do CitA and CAS provide good value for money? How do they compare with each other and CitA Northern Ireland? How do they compare to other advice providers? What scope is there for improving efficiency?

Value for money of CitA and CAS

Evidence to assess value for money is provided throughout this report, in responding to the questions set out in the terms of reference of the review. This covers

- services supplied by CitA and CAS to the bureaux, including survey evidence, discussion with bureaux, and comments from funders and stakeholders
- services supplied by bureaux to clients, especially where there is a heavy direct engagement of CitA and CAS, for example in partnerships with other organisations and in contracting for national work
- services supplied to government, either in giving advice(pro-active lobbying, responding to consultations and feedback on the delivery of government services) or in acting with bureaux as contractors to deliver specific advisory services.

In addition, CitA and CAS have themselves accumulated evidence of the impact of the citizens advice network through research conducted for them. Much of this is recorded in the submissions made by the organisations to DTI in response to this review.

In considering the impact of the citizens advice network, there are difficulties in quantitative measurement. Apart from financial gain, much of the impact is in

improvements in quality of life of the clients, which cannot be measured objectively, however real it is. Where gains can be estimated, it may be hard to ascribe responsibility for the benefits between active partners who all contributed to the case for change. And separating the impact of CitA and CAS from that of the bureaux is not feasible. Although the organizations are separately constituted, they are interdependent. These qualifications need to be borne in mind.

In the list which follows, the points are those which appear best substantiated by research. However, other examples of the impact of the network are also persuasive in principle, if lacking in detail.

- Around 3 million people are helped each year, covering over 5 million problems. The satisfaction rate of clients is very high.
- In a sample of 3000 clients, bureaux secured a financial gain of nearly £3300 per client, much of which will continue in subsequent years.
- In Scotland, CAS estimates over £40 million of financial gain by clients in 2004/05.
- Following a campaign by CitA, the extension of exemption from prescription charges to people on very low incomes is likely to benefit 45 000 people each year.
- Statutory protection of tenants' deposits was introduced by government in the Housing Act 2006 following ten years of detailed policy work and lobbying by the citizens advice network. Around 250 000 tenants will save significant amounts (up to £500 each) as a result.
- DTI plans to change the legislation on doorstep selling after an OFT investigation initiated by a CitA super-complaint.
- A joint report by CitA and CAS on the operation of tax credits seems to have been influential in the Chancellor's announcement in November 2005 aimed at limiting hardship caused by the recovery of overpayments.
- Savings of around £2 000-3 000 accrue to Local Authorities each time advice prevents a client of the bureaux from becoming homeless. There may be over 70 000 such cases in England, Wales and Scotland each year.
- Maryhill CAB has created an innovative asylum-seekers scheme in Glasgow's east end which supports asylum seekers to work alongside other advisers.
- The CAB brand is familiar to 95 per cent of the public and is regarded as trustworthy by 75 per cent.
- CAS has successfully lobbied the Scottish Executive to amend the Housing Bill before Parliament at present to allow for a national tenancy deposit scheme
- Around 36-38 per cent of volunteers in the bureaux go on to paid employment or further education when they leave the citizens advice network.
- CAS initiated the court-enforced Debt Arrangement Scheme, which was introduced in Scotland after ten years of lobbying.

- Nearly 100 jobs are estimated to have been created in deprived areas of Glasgow as a result of increased income of bureaux clients.
- Roughly 80 per cent of DWP forms refer customers to the citizens advice network for advice.

From the considerable evidence which has been presented, as detailed earlier in this report and amplified above by research findings, this evaluation concludes that CitA and CAS provide good value for money compared to the expenditure by DTI of some £25 million a year.

Comparison of CitA and CAS; and Working Together

Comparison of CitA and CAS is not feasible as part of this evaluation. Benchmarking the organisations is a major task, requiring more resources than were available. Larger organisations are commonly held to have advantages of scale whereas smaller ones are often more innovative and know their customers and stakeholders better. These characteristics probably hold in the comparison between the two organisations, but they do not provide significant differences between them.

CAS has been disadvantaged in not having access to the Invest to Save fund for the installation of an electronic case management system, although it appears to have made some progress despite the lack of funding on the way forward.

CitA and CAS work closely together on some activities, such as the information system for advisers. However, in some areas they do things differently, for example in their approach to training volunteers where CAS depends to some extent on cascade training. Given the similarity of the organisations, there may be advantage for both in a more deliberate attempt to compare their methods and processes where these differ. Comparisons can use valuable resources, but are usually worthwhile. Some opportunities for working together have been indicated earlier in this report. **CitA and CAS should look for opportunities to draw from each other's experience, through systematic comparisons in methods and processes, and otherwise.**

Northern Ireland

In Northern Ireland, the network of advice providers is organised and funded differently from the rest of the UK. The Department of Social Development has provided core funding to three networks, CitA, Advice NI and the Northern Ireland Law Centre. Following a review in 2005 and with the impending reorganisation of local government in Northern Ireland, DSD is encouraging the three networks to work in partnership to establish hubs in each local authority area. Comparison of the quality of advice between Northern Ireland and the remainder of the UK offered by the citizens advice service is not possible.

Response to cuts in grant-in-aid

The DTI grant-in-aid to CitA and CAS has been cut by ten per cent in cash terms in 2006/07 compared to 2005/06. Pending the outcome of the comprehensive spending review, the organisations have been told to plan for grant at this level during the planning period. This amounts to a cut in real terms of around 20 per cent by 2010/11 compared to 2005/06.

CitA has begun a series of reviews to generate the savings required to meet the cut. It aims to reduce core costs by £4 million by 2007/08. These concentrate on bureaux support programmes (£1.6 million savings), training (£300k), IT services (£1 million), and a cross-cutting programme entitled "Where and How We Work". In addition CitA considers that it can generate savings in central purchasing and office costs of £250k, raise an extra £150k from sales of goods and services, and finally reduce activities with savings of £350k.

The main programmes are being treated as projects, with an experienced Director taking responsibility, with appropriate support. So far projects are on track, although there are clearly risks associated with the successful implementation of what could be quite major changes, and the impact of cuts in one area on other activities, which is difficult to predict at this stage. However, CitA recognises these risks and is managing the programme professionally so as to meet the budget while minimising its impact on the services provided to the bureaux.

If there were to be a deeper cut of 20 per cent in cash terms, which would amount to a reduction of some 30 per cent in real terms by the end of the planning period, CitA considers that it would have to abandon significant areas of activity. Although CitA could not give a detailed plan at this stage, it would probably have to reduce support services further and abandon the IT modernisation programme which has provided the CASE system and the virtual private network. This would be highly damaging to the operation and reputation of the network, and it appears an unlikely choice.

CAS has adopted a different approach. It has already made the changes necessary to meet the ten per cent cut for the current year. Further steps are planned to meet the budget for the subsequent years to 2010/11, which involve both reviews of current cost levels and carrying forward a surplus in 2006/7 to later years of the planning period. CAS is examining further fundraising, the generation of extra income, reducing the costs of premises, scaling down the services offered to bureaux, and sharing some back-office costs with CitA.

To achieve a cut of 20 per cent by the end of the survey period, CAS considers that radical and damaging steps would be required. It would wish to consider carefully the options before specifying the measures it would take. However, CAS considers that it would need to reduce development grants to bureaux, and cease to provide one or probably two of information services, training, field services, IT and quality assurance and audit.

In summary it appears that both bodies should be able to meet the cut of 10 per cent already imposed, with some impact on services to bureaux, but at the same time also some increase in efficiency and effectiveness, that is in value for money. Deeper cuts of 20 per cent are likely to change substantially the range and nature of the services offered to bureaux, and hence the advisory services to clients of bureaux. It is much

less likely that these deeper cuts would provide improvements in value for money in the citizens advice network.

Are there any lessons for the UK in the way that information and advice is provided in other similar countries?

This question was addressed by Sylvie Bacquet and Lisa Webley of the University of Westminster. They have prepared a report for DTI, which is available from the Department. Although a number of interesting comparisons are made, the report concludes that there are no immediate lessons for UK policymakers from the countries studied.

Other Issues

Some other issues came up while the key questions were being addressed. These are relevant to the value for money achieved by CitA and CAS and the bureaux but they do not fit easily within the structure provided by the questions. Hence they are covered in the section which follows.

Volunteers

Volunteers lie at the heart of the bureau approach. The scale of volunteering in the citizens advice network is such as to make a significant contribution to the government's "Active Citizenship" agenda. Volunteers play a number of roles in the bureaux, including as trustee board members, and as administrators and IT and social policy volunteers, but their principal role is as generalist advisers. CitA reported that around 60 per cent of their 21 500 volunteers acted as advisers, and this report is concerned with them, and their analogues in the Scottish network.

A useful practical and current illustration of the use of volunteers as advisers was given by the manager of an inner London bureau. He is about to recruit a substantial team of volunteers to work under the supervision of paid staff who are at present acting as advisors, but will act as managers of the volunteer team in future. His experience allows him to estimate that, if the project is successful, this part of the bureau will be able to see 50 per cent more clients, even though the productivity of the volunteers is expected to be lower than that of paid advisors.

The number of volunteer advisers in England and Wales has remained stable over the past decade, while the number of paid advisers has increased significantly, largely in the role of specialist advisers. This reflects the trends discussed earlier in this report towards project work under contract, where funders usually seek specialist advice, which bureaux have supplied through paid staff. An example of this is the successful bid by CitA/bureaux under the Financial Inclusion Fund, where up to 500 paid advisers employed on short-term contracts will deliver the service. Nevertheless, in terms of hours of advice given, CitA reported that volunteers provided 54 per cent of the total hours of advice given in 2004/05, and so they are clearly still critical to the performance of the service. Volunteers, who work fewer hours than paid staff, outnumbered them nearly 13:1 as generalist advisers in the same year but were outnumbered by over 3:1 as specialist advisers or caseworkers. There has been a similar but less marked trend for increased dependence on paid staff in Scotland.

The benefits of volunteers have been well rehearsed. Volunteering undoubtedly provides a substantial benefit to the volunteer who gains skills that lead to interesting work and, in 40 per cent of cases, to paid employment when they leave the bureau. The community also benefits in terms of capacity building. Volunteering may be thought of the glue that bonds the interests of the bureaux to their local communities.

These wider benefits are not central to the services which DTI funds CitA and CAS to provide, although it may be appropriate for DTI to take them into account qualitatively. The question is whether volunteering is cost-effective for the organisations when compared to employing paid staff. This is not a straightforward issue. There are a number of costs to consider when comparing volunteers with paid staff. Volunteers are probably more expensive to train, and they certainly require more supervision. According to the Legal Services Commission, their productivity

may be lower than that of paid professionals working in other advice providers. There was some support for this from the manager of a bureau. A fair proportion of volunteers drops out before completing their training. CAS reported that just under half of new volunteers remained after 12 months, although the rate of departure then dropped considerably, so that over 30 per cent worked as volunteers for more than two years.

These arguments do not amount to a case against the use of volunteers, but they do strongly suggest that a proper study of costs and benefits is needed. It would be helpful if this was done in a way which allowed bureaux to recognise when volunteers might not be the most cost-effective solution, in other words by providing a simple model for them to use, or by identifying key factors which might make volunteering non-viable. Identification of the wider benefits of volunteering at the same time would no doubt help CitA and CAS to support their position with other departments.

CitA should quantify the costs and benefits of volunteers to compare the value for money they provide to that of paid staff. CitA should seek to identify the key factors that determine whether it would or would not be viable to use volunteers in particular circumstances. CAS should be engaged in the project so that they can contribute their ideas and benefit from it.

Looking further ahead

Although detailed comparison between the citizens advice and other networks was not possible in this review, it is clear that the national general advice networks which most resemble CitA, CAS and the Bureaux are Advice UK and the Law Centre Federation. The latter at present receives modest core funding from the Legal Services Commission of £165k a year, while Advice UK has no core funding. Neither network has the public recognition, the number of clients or the commitment to engaging policy makers shown by the citizens advice network. On the other hand, they have won recognition by funders, who value their services.

This leads to the more general issue of whether the services of CitA and CAS developed with DTI funding should be made available more widely, without payment, throughout the advice provision sector. This would be radical and would entirely change the nature of the relationship between CitA (and CAS) and their bureaux, as well as the structure of the sector itself. It would lead to the creation of a common supplier of infrastructure, bringing to other organisations a number of the advantages held at present by the citizens advice networks. At the same time, unless the budget was increased substantially, all networks would be less generously supported than are the bureaux at present, and this would be expected to bring some reduction in the quality of advice in the bureaux at the same time as an increase elsewhere.

The main arguments in favour of this major change is the potential for the better use of government funds that it offers, and the improvement offered to other advice networks through access to the CitA services. Not all CitA services would be appropriate for this treatment, and this would need to be looked at very carefully.

Conclusion and Recommendations

Overall, this review concludes that both CitA and CAS offer good value for money, especially if the main services they offer to bureaux and to government are broadly retained after the cut of 10 per cent from last year's grant-in-aid takes effect. Further cuts in grant would have more serious consequences to the ability of bureaux to offer services and probably also to the ability of CitA and CAS to give feedback to government. ***There should be no further cuts in cash terms in grant-in-aid to CitA and CAS during the spending period 2008-2011.*** There does however appear to be scope for some changes, as set out in the recommendations which are repeated below. These should bring about an increase in efficiency and effectiveness, that is in value for money, from the grant-in-aid.

- 1. CitA and bureau managers should increase their efforts to have CASE fully implemented as soon as possible, and measure the position reached at the end of the 2006/07 year as a means of providing assurance to funders that the project has been successfully implemented and past investment safeguarded.***
- 2. If the case management system under development by CAS receives public funding, this should be conditional on the system being made available to any provider of advice services.***
- 3. CitA and CAS should jointly consider a detailed mapping of their current government contacts so as to identify gaps in influence which could be relevant to their impact on policymakers.***
- 4. Greater representation on the Boards of Trustees of CitA and CAS of the users of services, other stakeholders, and providers of services in the commercial market should be considered as a means of bringing in further external views and expertise.***
- 5. CitA should consider the abolition of regional committees, with their role in communications falling to regional managers.***
- 6. CitA and CAS should seek to increase the effectiveness and efficiency of their networks by taking positive steps to encourage the further rationalisation of bureaux by amalgamation.***
- 7. DTI should invite other departments with an interest in advice services to take part in collective discussion of strategic plans brought forward by CitA and CAS, and take their views into account in agreeing the strategic plans of CitA and CAS.***

- 8. CitA and CAS should give priority to using a national telephone service.**
- 9. CitA and CAS should ensure that any national telephone service is integrated with other advice providers through common telephone services and cross-referrals.**
- 10. Government funders of citizens advice services should require any CitA/CAS national telephone system to be effectively integrated with existing systems.**
- 11. CitA, CAS and DTI should examine the benefits and costs for the citizens advice network, and for the public in general, of providing access to a more sophisticated information system, drawing on the best features of Adviceguide and Advisernet.**
- 12. CitA and CAS should look for opportunities to draw on each other's experience, through systematic comparisons in methods and processes, and otherwise.**
- 13. CitA should quantify the costs and benefits of volunteers to compare the value for money they provide with that of paid staff. CitA should seek to identify the key factors that determine whether it would or would not be viable to use volunteers in particular circumstances. CAS should be engaged in the project so that they can contribute their ideas and benefit from it.**
- 14. There should be no further cuts in cash terms in grant-in-aid to CitA and CAS during the spending period 2008-2011.**

List of Interviewees

Advice Services Alliance: Ann Lewis and Adam Griffiths
Advice UK: Steve Johnson
Age Concern Scotland: David Brownlea
Berwick upon Tweed Citizens Advice Bureau: Jen Hall
Big Lottery Fund: Michael Ashe
Bradford Citizens Advice Bureau: Andy Taylor
Cabinet Office, Social Exclusion Unit: Claire Tyler
Camden Citizens Advice Bureau: Stuart Chadbourne
Centre for Professional Legal Services, University of Strathclyde: Professor Alan Paterson
Citizens Advice: David Harker and colleagues
Citizens Advice Scotland: Graham Blount, Kaliani Lyle and colleagues
Citizens Advice Northern Ireland: John Devine
Confederation of Scottish Local Authorities: Jon Harris
Department of Communities and Local Government, Women and Equality Unit: Rita Wadey
Department of Constitutional Affairs: Amanda Finlay and Colin Myerscough; Dan Pickles and Kit Opie
Department for the Environment, Food and Rural Affairs: John Mills and Stephen Caine
Department of Health: Anita Harris and Neil Smith
Department for Social Development, Northern Ireland: Roy McGivern
Department of Trade and Industry: Helen Reardon-Bond, Julie Davis, Rob Smith and Mark Sayers; Douglas Robinson, Francis Rogers and Barrie Stevenson; Tom Childe
Department of Work and Pensions: Philip Wynn Owen and Roger Pugh
Highland Regional Council: Carron McDiarmid
Home Office: Dick Weber
Law Centre Federation: Steve Hynes
Legal Services Commission: Crispin Passmore
Local Government Association: Sir Brian Briscoe
Penicuik Citizens Advice Bureau: Sue Peart
Prudential: Christine Heffernan
Scottish Council for Voluntary Organisations: Martin Sime
Scottish Consumer Council: Martyn Evans
Scottish Executive: Micheline Brannan, Mike Palmer, and Catriona McKay
Scottish Legal Aid Board: Colin Lancaster
Treasury: Sue Catchpole: Pat Samuel
Warm Zones Limited: Bob Carter
Welsh Assembly Government: Anne Stephenson, Peter Owen and Richard Barr.

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