

# Institute for Policy Research



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**BATH**

## Proving the value of advice: a study of the impact of Citizens Advice Bureau services

### About this research

Citizens Advice Bureaux provide a universal advice service to all clients who approach them. Typically, the problems for which they seek advice are debt, welfare and housing as well as employment, consumer and legal issues. Clients of a Citizens Advice Bureau (CAB) tend to be vulnerable, and demand for advice services has increased in times of austerity and public spending cuts. At the same time, advice services can be dependent on public funding and are facing cuts to their budgets. It is therefore more than ever necessary for advice services, like other voluntary and community sector organisations, to measure the impact of their interventions, calculate the return on investment by funders, and consider ways of improving service delivery in order to ensure value for money.

A study, conducted by a team of researchers at the University of Bath (Nick Abercrombie, Peter Cressey, Michelle Farr, Beth Jaynes, Susan Milner) working in partnership with the Bath and North-East Somerset Citizens Advice Bureau (CAB-BANES), analysed the long term impact of advice. Some twenty volunteers from the Bureau also participated as interviewers and analysts. This was one of five linked projects, all looking at the economic and social value of social purpose organisations, coordinated by South West Forum and funded by the Big Lottery.

The study provides the fullest account of the long-term impact of CAB advice based on the largest range of outcomes to date. The study found a Social Return on Investment ratio (SROI) of 1:50 over a 5 year period for the 80 clients who participated in the research. That is, for every pound spent on CAB-BANES services, a value of £50 was generated. This finding reflects the importance of CAB advice for vulnerable clients for whom it makes a big difference and who have few or no other sources of help and advice. Whilst the sample was broadly representative of the CAB-BANES client population profile, caution must be applied before generalising these results further.

## Key findings

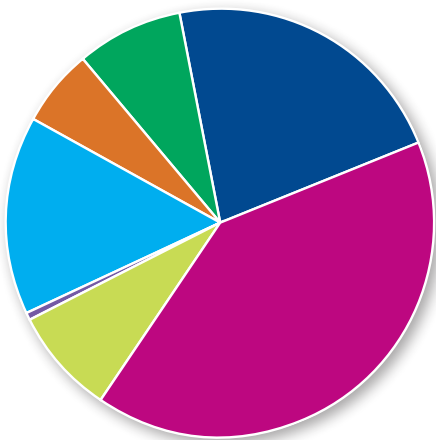
- The CAB is seen as a reliable, trusted brand and this is related to its universal, open access. Most clients were satisfied with the advice they had received and said they would recommend CAB to friends or family.
- 80% of clients sampled showed that CAB advice led to positive outcomes. The research found a range of different outcomes were attributable to the CAB, including the alleviation of poverty through income gain, debts managed and rescheduled, in-patient psychiatric care avoided, suicide prevented, depression and mental health issues alleviated, homelessness prevented and social services savings made.
- Within CAB-BANES, 60% of clients have incomes below the poverty line and 36% have disabilities or long-term health issues. A significant number of clients had physical or mental health problems, which were exacerbated by the issue for which they had sought advice.
- Clients reported improved health and well-being as a result of CAB advice, and the study was able to confirm the link between advice and improved health and well-being through surveys that used the short Warwick-Edinburgh Mental Well-Being Scale (Stewart-Brown *et al.* 2009).
- CAB-BANES advice provides a significant social return on investment, reflecting a cost to economic and social value ratio of 1: 50. A sensitivity analysis was conducted to take account of possible over-attribution within this calculation. Even when recalculated to take account of the most cautious attributions of impact possible, the ratio is still high at 1: 33.

## Research findings in context

CAB-BANES clients often said that the advice they received made a big difference, because without it they would not have known how to act, or would have felt less confident in negotiating outcomes by themselves. CAB is a 'last resort' for many vulnerable clients who report not knowing where to source other advice. As a result, clients tended to attribute outcomes to a very high degree to CAB intervention. After accounting for interventions where others were involved, the study calculated the value of CAB-BANES advice as reflecting a cost to social and economic value ratio of 1: 50.

This ratio is higher than previous SROI studies (e.g. New Economics Foundation Consulting 2008; Steed and Johnson 2010). The differences in the approach include the use of clients' actual financial values rather than proxy values wherever possible, and a far larger sample of clients. It is possible that there may be some over attribution of value to CAB-BANES advice services in this ratio. However, even when the ratio is recalculated to take account of the most cautious attributions of impact possible, it is still high at 1: 33.

## Different types of value created from advice client sample



- Financial gain (Debts written off) 22%
- Financial gain (Income gained) 41%
- Financial gain (Income gain following repayments rescheduled) 8%
- Financial gain (Debts wrongly charged) 0.004%
- Financial gain (Re-imbursement or service or loan) 15%

■ Other (improved relationship, housing, sleep, employment or volunteering gained) 6%

■ Prevention (of depression, homelessness, bailiffs, utilities disconnected, hospitalisation) 8%

One of the reasons this study finds such a high return on investment of funding in CAB services is because clients' income had often been substantially improved, or large debts had been managed. As well as straightforward gains to clients, outcomes include benefits to wider stakeholders (e.g. the state and local authorities), such as the avoidance of legal proceedings, the avoidance of homelessness, and reduced pressures on and costs to health services. Indeed, closer examination of the SROI ratio shows that of the £50 value that is created per pound invested, £4 is value to the state in preventing homelessness and reducing further usage of health services.

In the context of austerity, reducing funding and coverage of advice services to save money runs the risk of higher costs to the public purse, as advice plays a vital preventative role. If the coverage of advice is reduced, it is likely to limit the ability of individuals to access services until it is too late to prevent greater and more expensive problems. At the same time, the study found demand among some of the most vulnerable clients for more systematic and intensive follow-up of their cases by the CAB, indicating the usefulness of a more tailored approach to clients' needs.

## Policy implications

- CAB-BANES advice services produce a significant social return on investment and are an essential cost-effective service for people at times of vulnerability. The CAB acts as an important advocate and helps to prevent harm.
- The CAB mitigates the adverse effects of welfare reform where vulnerable clients are on the wrong end of inaccurate decisions about entitlement to welfare benefits. 20% of the client sample sought advice to appeal decisions about Employment Support Allowance (ESA) and Disability Living Allowance (DLA). At least 75% of these ESA appeals and 67% of DLA appeals were successful, alleviating the pressures of poverty for people in times of ill-health or disability.
- The findings of this study suggest that any significant reduction in the CAB's capacity to give advice to clients is likely to result in worse outcomes for vulnerable populations, including increased risk of poverty, homelessness, accumulation of debt, and deterioration of physical and mental health. It is likely that the cost of these greater problems will have to be picked up in other public service systems.

- Advice services occupy an important strategic position in the health and social care system, one which is recognised in the current Care and Support Bill. There is an opportunity for the Citizens Advice service to enlarge their provision through a greater range of preventative services, such as training in financial management and navigating bureaucratic systems.
- The link between advice and health and well-being outcomes needs to be given further attention. For clients in the sample who reported improvements in their well-being, over half had been accessing health services and were receiving treatment from their GP. Advice is possibly a more cost-effective therapy than medical intervention.
- The complexity of clients' situations makes the collection of reliable measurement data difficult. Without being able to capture this complexity, calculations of return on investment may be incomplete. However, such studies are costly and may be beyond the capacity of many voluntary and community organisations. There is therefore a need for further refinement of toolkits for social purpose organisations, using and building upon the findings of this study.

## Methodology

This mixed method longitudinal study demonstrates how impact measurement can be applied to individual case-based work, and illustrates the potential for co-production of research by means of partnerships between universities and social purpose organisations. CAB-BANES volunteers played a major role in the study and helped realise an important objective – the creation of a trained research team within the Bureau. Interviews were carried out through 2012 and 2013, with a sample of 80 clients that broadly reflected the local CAB-BANES core population, and follow-up interviews were carried out at intervals with nearly half of the sample (38). Backed up by substantial financial and reporting data from the CAB, the interview findings were analysed and translated into financial outcomes using Social Return on Investment (SROI) techniques (Nicholls *et al.* 2009). The study also used a survey of well-being using the short Warwick-Edinburgh Mental Well-Being Scale (Stewart-Brown *et al.* 2009), which asks respondents a series of questions about their state of mind, ability to cope and feelings. This survey was completed by a wider sample of clients (170) as well as those who were interviewed at the initial and follow-up stage.

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## More on this research:

Farr, M., Cressey, P., Milner, S., Abercrombie, N.  
and Jaynes, B. (2014). *Proving the value of advice:  
a study of the impact of Citizens' Advice Bureau  
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[Accessed 27 March 2014]

For further information on the Proving our Value  
five linked projects, please contact the South West  
Forum ([Charlotte@southwestforum.org.uk](mailto:Charlotte@southwestforum.org.uk)).

South West Forum supports voluntary groups to be  
better at doing what they want to do. They also work  
with local authorities, health agencies, universities  
and other public bodies as well as businesses to  
help them build strong relationships and partnerships  
with voluntary and community groups.

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