

SSDC Welfare Advice Work in South Somerset

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Purpose of the Report

To update and inform Members on the work of the Welfare Advice Team for the financial year 2014/15.

Public Interest

The report gives an overview of the work of the SSDC Welfare Advice Team.

Recommendation

Members are invited to comment on the Report

What is the Welfare Advice Team?

The Welfare Advice Team consists of 3.1 full time equivalent staff responsible for undertaking casework for clients across the whole of South Somerset. We provide specialised advice and advocacy; preparing claims, representing clients at Appeals, up to and including First-Tier and Upper Tier Tribunals.

The Team are situated within the Housing and Welfare Service and based at Petters House. We provide advocacy and advice by telephone, appointments at Petters House and the Area Offices and carry out home visits where appropriate.

Annual Statistics

During 2014/15 the Welfare Advice Team undertook casework for **593** clients across South Somerset achieving an Annual Income for clients of **£1,107,762.21**. In addition clients received a total of **£228,864.11** in Lump Sums. Combined total **£1,336,626.32** (at 13/11/2015).

Please note that these figures are provisional due to the time lag involved in benefits being awarded/clients confirming their award. This lag is longer than in previous years due to the extended delays with existing and new benefits (one year for new claims for Employment and Support Allowance (ESA) – although a basic rate is paid until that time). We would expect these figures to show a further increase as 59 cases remain open awaiting outcomes.

We undertook casework for **195** clients in Area South, achieved an annual income of **£399,627.91** and a lump sum of **£108,592.20**, combined total of **£508,220.11**.

Out of the total 593 clients we worked with across South Somerset we helped dispute 50 decisions (Appeals and Mandatory Reconsiderations). This is a drop in previous year's figures as fewer decisions are being made.

At Mandatory Reconsideration stage:

- 21 decisions were successfully overturned
- 3 were withdrawn
- 1 is still outstanding

The unsuccessful MR's, we can progress to appeal (First Tier tribunal) stage, if our clients are agreeable.

Some cases that come to us are already at this stage.

At Appeal Stage:

- 21 cases progressed to Tribunal stage
- 2 were withdrawn.
- 15 were successful
- 5 unsuccessful
- 1 remains outstanding

As before, these figures are subject to change as decisions on open cases are made and progressed as appropriate.

It is also worth noting that of all the 50 disputed decisions, 42 were for disability benefits – 9 Disability Living Allowance, 12 Personal Independence Payment and 21 Employment and Support Allowance.

Where We Are Now.

The 2012 Welfare Reform Act represents the biggest change to the welfare system in over 60 years. All these changes are also taking place against a backdrop of reductions in funding from central government across both the statutory and third sectors.

Passported Benefits

The impact of completely redesigning the whole system of means-tested benefits and tax credits goes beyond those just immediately affected by losing a benefit.

Over time a whole raft of secondary benefits have been developed and eligibility depends on receiving Income Support, income based Jobseeker's Allowance, income related Employment and Support Allowance and Child Tax Credits.

These are known as 'passported benefits' and include free school meals, school travel, prescriptions, dental treatment and other reductions in prices for services, e.g. leisure, Careline etc.

The Social Security Advisory Committee, a statutory independent committee which advises Department of Work and Pensions (DWP) on the operation of the benefits system, has recently produced a report (1) which raises clear concerns about the loss of these passported benefits.

It points out that these benefits make significant contributions to the health and wellbeing of low income families and to preventing child poverty and social exclusion.

If families lose benefits and in turn eligibility for free school meals this also impacts on the overall funding the schools receive in the 'pupil premium'.

In addition if families migrate because of the Housing Benefit caps and other loss of income arising from the reforms, then this will have significant impact sub-regionally and could exacerbate disparities of wealth in rural areas.

The application of the Spare Room Subsidy to Social Housing Tenants (known as the Bedroom Tax) was rolled out from April 2013 and, as of March 2015, 764 tenants in South Somerset experienced a reduction in Housing Benefit as a result of this.

From September 2013, the Benefit Cap (the total amount of benefit that working-age households can receive) was implemented and whilst there were a relatively small number of households affected in the whole Somerset (around 100 by April 2014), South Somerset, as of March 2015 has 27 affected households (2).

This is in addition to households with private tenancies affected by the Local Housing Allowance.

There has been an almost three fold increase in the households in Somerset receiving extra help with housing costs through Discretionary Housing Payments (DHP) in 2013-14 compared to 2012-13. DHP's in South Somerset rose from 230 to 487. (2). The number of households in South Somerset that received extra help through DHP's in 2014/15 was 513.

Saved and Maintained Tenancies

The figures for Saved and Maintained Tenancies for 2014-15 stand at 3 and 21.

Saved Tenancies are those cases which would have resulted in the loss of the tenancy but for the intervention of the Welfare Benefit Team. Maintained Tenancies are those where the Welfare Benefit Team have undertaken a significant amount of work with the clients towards assisting in the successful maintenance of the tenancy.

The cost to SSDC of dealing with a homeless application is estimated at £2,630 per family. The 3 tenancies saved by the intervention of the Welfare Benefit Team equates to a potential saving of £7,890. Further savings were made by the 17 x Maintained Tenancies, as it is highly probable that a number of these would have progressed to the stage of loss of tenancy without early intervention, which is key in the current financial climate.

The need for support for people to retain their homes has never been greater than now given the consequences of Welfare Reform.

Housing Benefit

More recent research from the National Housing Federation (3) shows that middle-income households earning between £20,000 - £30,000 a year accounted for two thirds of all new Housing Benefit claims during the last six years, as the struggle to afford a home gets tougher. With the proportion of households having to claim Housing Benefit despite being in work doubling to 22 per cent (one in five) since 2008, the National Housing Federation predicts that this figure could rise to one in three in the next five years. (3).

Here in South Somerset, out of a Housing Benefit caseload of 9,540 (active claims as of March 2015), working age claimants make up 6,052 and of these 2,238 are earning which equates to 23% (higher than the national average) of the total caseload and 37% of working age claimants. This does not include those in receipt of passported benefits who also work.

The estimated cost for a 2 child family if an eviction took place without a homeless application being made is £3,563. The wider social costs in relation to education and health services are estimated to be £4896. (4). In addition the emotional impact on clients' health is considerable.

Becoming homeless is of course the very last resort for families and experience has shown that considerable financial pressure will be absorbed and debt accrued by families before they accept it. The impact of this can be widely felt in families, children and vulnerable adults in these families can be particularly at risk.

Nationally, the number of Housing Benefit claimants who are in work broke the *one million* barrier for the first time when DWP statistics published in November 2013 show that 1,013,822 people in employment were claiming Housing Benefit in August 2013.

DWP statistics published in August 2015 show that nationally, 1,073, 238 people in employment were claiming Housing Benefit in May 2015 out of a total number of 4,865,567 – 22%. Again, this does not include working households who are also in receipt of passported benefits.

Unemployment

Unemployment is not so much an issue in South Somerset as underemployment - few people realise just how many in work rely on Housing Benefit to pay their rent, not to mention earnings top up's such as Working Tax Credits due to typically low wages in the area.

UK figures published in December 2013 found that the largest group in poverty are working age adults without dependent children - 4.7 million people are in this situation, the highest on record. Pensioner poverty is at its lowest level for 30 years. (5).

The Value of Welfare Advice

By ensuring the maximisation of income and helping to challenge decisions, welfare rights services ensure that national government covers such housing costs instead of the council by way of the homelessness route and/or loss in rent collection

The Low Commission, in May 2014, published a major follow up work on the economic value of social welfare advice (6) and presents compelling evidence from different sources that social welfare advice saves public services money. So apart from putting money in the pockets of those who need it, there is also widespread added value from our work.

Looking at all work to date on Cost Benefits Analysis (CBA) and Social Return on Investment data, the report finds that this not only pays for itself, but it also makes a significant contribution to families/ households, to local area economics, and also contributes to significant public savings.

Different studies done in the UK, US, Canada and Australia have all demonstrated similar findings that for every pound or dollar invested, there's a multiple of 10 in the savings produced by, for example, keeping people their homes with jobs and incomes intact rather than having to utilise expensive crisis and emergency services. The review shows that advice across different categories of law result in positive outcomes for clients and their households. (6)

Commenting on the findings Lord Colin Low said:

“This research, carried out independently, demonstrates with hard economics the true value of social welfare advice. It can no longer be argued that funding social welfare advice is too much of a burden on the state. Early and necessary interventions from advice and legal support prevent problems and expense further down the line”

Partnership Work

Co-ordinated joined up working with other agencies is now more important than ever with the emphasis on making advice more accessible in rural areas and taking service out across the district. We are striving to maintain and improve ways where we can complement each other's services, focusing on each agencies strong points, exploring new technologies and access routes and better referral systems.

We are also working in conjunction with other advice agencies on Social Policy issues. The agencies we work with, such as the National Association of Welfare Rights Advisers and Citizens Advice Bureaux campaign on a national level, which we feed into, as well as highlighting individual cases via the local MP's.

Our partner agencies include South Somerset CAB, Age UK, Yarlinton Housing Group, South Somerset Mind, Village Agents and many more.

Case Studies and Feedback

The advice we provide helps our clients get back on their feet again and encourages them to be pro-active as we try to empower and avoid over dependence.

This local face to face responsive support has become more essential as more and more services are rolled out digitally or through central processing centres.

This is highlighted in the feedback we receive from our clients.

“The welfare was excellent help. Everything was brilliant. Thanks for all the help and care, we appreciate it. God bless you.”

“Catherine was brilliant, if I'd met her a while ago life would have been a lot easier. Very motivated, positive, helpful and friendly. Can't thank her enough.”

“From the start of the process I felt supported. Andy explained every step thoroughly to me and answered any questions. Huge thanks to Andy, I was extremely happy with the service I received. I would recommend highly.”

“The lady who called on us (Helen) was wonderful I cannot commend her enough.”

“Helen Parrott was very kind, caring and professional. She filled in my claim form making sure to include every comment. She didn't rush me and made sure the questions were answered in my own words. I would recommend Helen to other people, she made a stressful time more relaxed by her caring nature.”

“Thank you for the excellent service - you've been very helpful”

“Excellent service provided by Andy Pennington, with regular updates until all benefits were received.”

“My case worker was very efficient and helpful”

“Thank you very much for the assistance gave to me. I am very happy for your supporting and your kindness.”

Case Study

Philip is 25 years old with Noonan's Syndrome – a genetic disorder with a wide range of symptoms including mental health and learning difficulties, anxiety and depression.

As a result Philip is significantly limited in his mental state, struggling with day to day activities that most of us take for granted – reading, cooking meals, budgeting, as well as personal care.

Philip was in supported temporary housing following homelessness due to not coping with managing his finances. He signed off of Employment and Support Allowance (ESA) and on to Jobseeker's Allowance (JSA) because he wanted to work, unaware of the strict requirements he would be subjected to.

Philip had previously gained employment but was unable to hold down a job because of the amount of support he needed to do so –navigating the route to work, using public transport, getting himself organised etc etc.

Philip was referred to us in November 2014 by adult support services in who had been working with him for some time.

We suggested that he move back on to ESA and explained he could still look for work whilst claiming this benefit but he would be given appropriate support to do so.

Philip re-claimed ESA and we also helped him put in a claim for Personal Independence Payment (PIP) which is a non-means tested benefit that has replaced Disability Living Allowance.

Unfortunately Philip was turned down for PIP, with points scored for difficulties with budgeting and reading. We helped him request a Mandatory Reconsideration (MR) of this decision and provided additional medical evidence as well as a written submission in support of an award.

Unfortunately the original decision was upheld in March 2015 and by this time Philip's situation was causing him significant distress. His depression worsened and he started forgetting appointments.

Philip's stepmother intervened and made contact with us. With his permission we worked with her to help him through what was a difficult time. He was still only receiving the assessment phase amount of ESA (£72.40 per week) and struggling financially.

Philip's Tribunal Hearing was finally listed in August 2015 and the panel awarded him points for difficulties with cooking a simple meal, managing his therapy, washing and bathing, reading, budgeting and planning the route of a journey. This amounted to an additional £102.85 per week plus the addition of a Severe Disability premium of £61.10 per week.

At this time Philip's ESA was still in the assessment phase and he had not had a medical. We forwarded the Tribunals PIP decision with the medical evidence and a covering submission to the DWP Medical services who took this on board and made recommendation to the DWP without the need to a face to face medical.

Subsequently Philip was placed in the ESA Support Group amounting to an additional £51.30 per week.

As a result of the work we carried out, Philip has an increased annual income of £11,193 plus back paid benefit in the sum of £11,282. He has successfully moved into permanent accommodation with a Registered Social Landlord and continues to be supported. This has also had a significant positive impact on his mental health.

Corporate Priority Implications

Council Plan 2012-2015:

Focus 3: Homes

Focus 4: Health and Communities

Equality and Diversity Implications

The work within the Welfare Advice Team brings us into daily contact with vulnerable clients, people with disabilities and non-English speaking communities.

Financial Implications

None

Carbon Emissions & Adapting to Climate Change Implications (NI188)

None

Background papers;

- (1) *Universal Credit: the impact on passported benefits*, Report by the Social Security Advisory Committee, DWP, March 2012
- (2) Somerset Welfare Reform Impact Monitoring 2013-14
- (3) *Broken Market, Broken Dreams*, Home Truths 2014/15, report by the National Housing Federation 2014
- (4) Somerset Community Legal Service Partnership: County Court Project
- (5) *Annual Monitoring Poverty and Social Exclusion 2013* published by the Joseph Rowntree Foundation and written by the New Policy Institute (08/12/2013)
- (6) *Social Welfare Advice services – A Review* by Graham Cookson, an economist at the University of Surrey