

Area North Committee – 27th August 2008

8. Update Report on the Welfare Benefits take-up Programme

Portfolio Holder: Cllr Ric Pallister, Health, Housing, Inclusion & Revenues & Benefits
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Purpose of the Report

To update and inform Members on the work of the Welfare Benefit unit including the provisional increase to annual income figures for the year 2007/08.

Recommendation

Members are invited to comment on the report.

Background

Arising from our own assessment of poverty in the District in 1996 and later work done on benefit take-up for the Somerset County Council Poverty Commission in 1998, the Council decided to back a 3 year Welfare Benefits Take-Up Campaign for South Somerset. This was a pilot designed to test what we as a District Council could achieve, by both tapping into our own resources (primarily via Community Advisers in community offices) and enabling more take up work in other sectors through practical support and identification of external funding.

This initiative, managed in partnership with South Somerset CAB, was resourced with a sum of £100,000 over the 3-year period commencing April 2000. This enabled SSDC to employ a Welfare Benefit Officer based in the Social Inclusion Team. In response to demand the service grew and by 2001 the existence of the welfare benefits programme supported and complemented the introduction of the Verification Framework into Housing Benefits, giving Members and officers increased confidence that deliberate fraud would be tackled whilst maintaining a safety net for supporting vulnerable people.

When the Social Inclusion Unit ceased to exist, the Welfare Benefit Team transferred to the Housing and Welfare Section - which has resulted in even closer working with the housing teams to prevent the loss of tenancies.

What does the Welfare Benefit Team consist of?

The Welfare Benefits Team consists of a small group of Welfare Benefit Advisers (equivalent to 2.4 full time posts) who are responsible for undertaking casework for clients, identifying their welfare benefit entitlement. The staff work across the whole of South Somerset offering home visits as appropriate. They assist in preparing claims, representing clients at Appeals, up to and including Social Security Commissioners level, and representing clients at Tribunal hearings.

Addressing Need

Up to £9.4 billion of means tested benefits were unclaimed in 2005/6 (82% expenditure take-up). Using estimates supplied by the Office of National Statistics, this would indicate that up to £25.2 million could go unclaimed by the people of South Somerset.

Client Case Study 1

*Karen, age 20, who has some health issues, was living in the family home when her parents divorced. Half of the family home was held in trust for her so when the home was sold she received her share of the proceeds. The amount was enough for her to buy her own home: she had obtained a mortgage and offered on a property but unfortunately it fell through at the last minute. Due to the capital now in her bank her Income Support was immediately stopped, leaving her nothing to live on and with no choice but to eat into her capital. She was forced to start renting a property, but the rent was also eating into her capital: Housing and Council Tax benefit having been refused because of the decision to stop Income Support. It was at this point that Karen contacted us to ask for advice.

We helped her to claim Disability Living Allowance. She was awarded Middle Rate Care (£44.85 per week) and Low Rate Mobility (£17.75 per week). In addition we helped her to Appeal the decision not to award Income Support as capital can be disregarded in certain circumstances if it is intended for the purchase of a home. In due course she was awarded a lump sum back payment of Income Support amounting to approx £3,800. She will now also be entitled to back payment of Housing and Council Tax Benefit of approx £3,000. This means that her capital will now get back to what it was initially.

During this time Karen's mother became terminally ill and we were also able to assist her with Attendance Allowance.

Happily Karen has recently seen a house she wants to buy and can now proceed.

*All names used are fictitious

Report

Progress to date

The table shown at Appendix 1 gives an overview of what has been achieved by the Welfare Benefit Team over the last 8 years.

During 2007/08 the Welfare Benefit Team undertook casework for **over 501 clients, achieving an Annual Income for clients of £737,914. In addition clients received a total of £213,760 in Lump Sums.** These figures are provisional due to the time lag involved in benefits being awarded/clients confirming their award, and we would expect the figure to show a small increase over the coming months. Appendix 2 gives details of the percentage of each type of benefit awarded, and Appendix 3 gives details of the average increase to annual income, numbers of tenancies saved/maintained etc.

It should be noted that the figures show only those details confirmed by clients to us. Not all clients confirm receipt of their awards, and it is considered that a significant amount of income gained goes unreported. An educated guess as to unconfirmed results would be in the region of at least an additional £75,000 - £125,000 per annum.

It should also be noted that much of the total represents an annual income figure and as such is likely to continue on a recurring basis. Moreover, the effects of this on the local economy should not be overlooked.

During 2007/08 we achieved 40 x Saved Tenancies for clients. Saved Tenancies are those cases which would have resulted in the loss of the tenancy but for the intervention of the Welfare Benefit Team. In addition the Team assisted clients to maintain a further 40 tenancies. Maintained Tenancies are those where the Welfare Benefit Team have undertaken a significant amount of work with the clients working towards assisting in the successful maintenance of the tenancy.

Assuming the cost to SSDC of dealing with a homeless application is £5,000* per family, the 40 x tenancies saved by the intervention of the Welfare Benefit Team equates to a potential saving of £200,000. It is also arguable that further potential savings were made by the 40 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.

*The assumption that the cost to SSDC of dealing with a Homeless Application is approx £5,000 per family is made up as follows:

Processing Homelessness application (3 days x Officer and Admin time): £252
 Housing family pending decision – 6 weeks at £550 per week: £3,300
 Ongoing Housing Solution – deposit (e.g. loss of interest, proportion of bad debt), rent in advance, fees, etc: £1,400
 Total: £4,952

Client Case Study 2

*David, a professional gentleman, suffered a series of health problems causing him to stop work, hopefully on a temporary basis. It left him and his wife living on Pension Credit: this meant a significant drop in income for them which resulted in their falling into debt as they tried to accustom themselves to a very different financial lifestyle.

David and Eileen had downsized into a small rented bungalow and were in rent arrears when they approached us. We helped them claim Housing and Council Tax benefit, applying for a backdated payment. They were awarded £95.19 per week Housing Benefit and £28.47 per week Council Tax (total £6,430 per annum).

Eileen is recovering from cancer so we assisted her in claiming Attendance Allowance. She was awarded £44.85 per week (£2,332 per annum).

We also helped David to claim Disability Living Allowance in respect of his health problems and he has been awarded Low Rate Care of £17.75 and Low Rate Mobility of £17.75 (£1,846 per annum). In fact we are now challenging this decision to award only the Low Rates of Disability Living Allowance as we feel that David should have been awarded a higher rate.

The above has enabled David and Eileen to continue renting their bungalow, and they are now beginning to be able to pay off some of their outstanding debts.

* All names used are fictitious

We were particularly pleased that at the recent Inspection of the Strategic Housing Service (April 08) the feedback on strengths and weaknesses of the service states: "There are very high levels of satisfaction being stated by customers with regard to the Welfare Benefit Service".

We continue to hold the Quality Mark awarded by the national Community Legal Service. This is in recognition of the quality of general help with casework provided by the team.

It is also worth noting that Fiona Johnson, Senior Housing Support Officer, now also manages South Somerset Careline in addition to the Welfare Benefit Team. This has had the added bonus of the Careline staff being able to identify welfare benefit issues in the course of their work.

Careline is an alarm system which enables people to enjoy living independently in their own home, secure in the knowledge that emergency help or advice is available at the touch of a button.

Within seconds of pushing the alarm button they are through to a team of advisers, all of whom are fully trained to respond to those in need. Their experience comes from handling thousands of calls a year from the elderly and frail, the disabled, those convalescing, young or vulnerable, and those working or living in isolation.

Careline also offers a comfort call service, for example, for those who are unwell or who have just left hospital.

All that is needed to join the Careline service is a modern BT telephone point and an electric socket close by. No hard wiring is required. It is easy to use and easy and quick to install.

Careline – “Peace of Mind at the touch of a Button” - is self-sustaining and was serving 1,835 clients at the end of March 2008.

Achieving Multiple Added Value

Apart from putting money in the pockets of those who need it, there is widespread added value from this work, including:

Working with the Homelessness Team we assist in preventing loss of tenancies. In addition to the potential direct savings to SSDC there are other associated savings. In 2004 the estimated cost for a 2 child family if an eviction took place without a homeless application being made was £3,563. The wider social costs in relation to education and health services were estimated to be £4,896. (Somerset Community Legal Service Partnership: County Court Project). In addition the emotional impact on clients not receiving such assistance would be considerable.

The link between health and wealth needs to be acknowledged. The Acheson Report specifically recommended benefit take up as a measure to tackle health inequalities.

Both the payment to the individual clients and the payments to SSC/SSDC contribute to increased spending in the local economy.

Provision of advice around Welfare Rights to ensure people claim all they are entitled to has been shown to have large economic benefits to local communities. A report in Scotland (“Extending Scottish Input – Output Systems”, McNicoll) found that for every £1 million of benefits recovered the local multiplier effect generates 36 full time jobs in the local (Scottish) economy. On this basis, last year approximately 34 jobs could potentially have been created or sustained as a consequence of this work.

Disabled Facilities Grants (DFG's) are rationed; linking clients in with potential additional welfare benefits can be advantageous in enabling them to fund their own purchase of items.

The welfare benefit work also supports that of the Private Sector Tenancy Support post, working with clients to ensure that they are receiving all the benefits they are entitled to, thereby assisting them in successfully maintaining their tenancy.

Financial Implications

None.

Implications for Corporate Priorities

Works towards Corporate Aims No. 2 and 3:

- Increase economic vitality and prosperity
- Improve the health and well-being of our citizens

Other Implications

None.

Background Papers: *McNicoll I H and Blakemore D (1993) "A Pilot Study on the Construction of a Scottish Environmental Input-Output System", Report to Scottish Enterprise*
Independent Inquiry into Inequalities in Health Report by Sir Donald Acheson (Nov 98)
Somerset Community Legal Service Partnership: County Court Advice Project Report dated 24/3/04
