

Area West Committee – 20th June 2007

10. Report on Welfare Benefit Work in South Somerset

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Purpose of the Report

To update and inform members on the work of the Welfare Benefit unit including the provisional figures for the Year 2006/7

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.

Addressing Need

Up to £8.04 billion of means tested benefits were unclaimed in 2004/5 (87% expenditure take-up and 76% caseload take up) by as many as 6.3 million potential claimants nationally. On a proportional basis, based on the mid-2005 population estimates (Office of National Statistics), this would indicate that up to £21.5 million could go unclaimed by the people of South Somerset.

Client Case Study 1

Carol is a 37 year old single parent with 4 children aged 13, 11, 9 and 8. She works full time and receives Working Tax Credit.

Carol was very concerned about being able to continue to meet her rental payments in full as she was finding it increasingly difficult to juggle her very tight budget with feeding and clothing 4 growing children. Carol was concerned that if she fell further into arrears with her rent she might lose her home. Growing increasingly concerned at how to cope financially she approached us to see if there might be any help available.

Cathy, the Welfare Benefit Adviser, carried out a full welfare benefit check for Carol and was pleased to advise her that she was entitled to Housing and Council Tax benefit – a benefit that Carol had previously been unaware of. Cathy helped her complete an application for this, and in due course Carol was awarded £72.82 per week (£3,787 per annum).

Carol was delighted. She is now confident that she can successfully continue to pay her rent in full, cover her bills and feed her family.

*All names used are fictitious

Report**Progress to Date**

The table shown at appendix 1 on pages 31-32 gives an overview of what has been achieved over the last 6 years.

Despite 2006/7 being a difficult year due to staffing problems (for the greater part of the year we were down to the equivalent of one full time Welfare Benefit Adviser only) we undertook casework for **338 clients, achieving an Annual Income for clients of £442,382. In addition clients received a total of £81,114 in Lump Sums.** Please see appendix 1 for further details.

Fortunately 2007/2008 appears set to be an easier year in relation to staffing levels. In April we took on two new Welfare Benefit Advisers: 1 x temporary contract for one year at 4 days per week, and 1 x permanent post at 15 hours per week. This equates to total Welfare Benefit Adviser hours of 8 x permanent days per week and 4 temporary days per week.

As a result of the additional hours we have been able to set up a Welfare Benefit Surgery in the Crewkerne office. These sessions are held on a Wednesday. They commenced in mid May and we are pleased with the response to date.

Client Case Study 2

David, aged 50, already suffered from osteoporosis when he was diagnosed with bladder cancer. He was becoming increasingly debilitated by the chemotherapy and radiotherapy and had become very frail.

It was at this point that David's existing claim for Disability Living Allowance (DLA) – an amount paid to help people who have care needs due to some form of disability – was reviewed by the Department of Work and Pensions (DWP) and turned down.

The Welfare Benefit Adviser (WBA) helped David through the Appeal process. This consisted initially of a Request for a Reconsideration, which was again turned down. The WBA then put in an Appeal, and attended the Tribunal with David. The WBA's persistence was justified when the Tribunal did not just reinstate Low Rate Care of £16.50 per wk as had originally been paid, but awarded High Rate Care of £62.25 per wk. – and in addition they awarded High Rate mobility of £43.45 per wk. He also received a backdated lump sum of £2,950.

David was so relieved as he had been struggling to make ends meet. Now he is able to pay his rent and bills without worry, and even have the odd day out. He said "I could not have managed to do this on my own, I just did not have the strength".

* All names used are fictitious

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.

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. The Quality Mark is only awarded to organisations that pass regular quality checks carried out by the Legal Services Commission.

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:

1. Working with the Homelessness Team we assist in preventing loss of tenancies. The estimated cost for a 2 child family if an eviction takes place and a homeless application is made is £5,813. By ensuring that clients are in receipt of all their benefits we are on occasions able to prevent the eviction from proceeding. In such cases the savings made are significant for SSDC in relation to B&B/temporary accommodation, Housing Officer time in terms of prevention and investigation, Spend to Save budget etc. In addition the financial and emotional impact on clients not receiving such assistance will be considerable.

2. 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.
3. Both the payment to the individual clients and the payments to SSC/SSDC contribute to increased spending in the local economy.
4. 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 18 jobs could potentially have been created or sustained as a consequence of this work.
5. 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.
6. Until recently receipt of certain benefits affected the Formula Spending Share (FSS). This was paid to Somerset County Council (SCC) by the Government on an annual basis. For example an individual award of Attendance Allowance (for people over 65) was paid at £310 in Year 1, £620 in Year 2 and £930 in Year 3. An assumption was made that some of the money paid to SCC would filter down to South Somerset. (Appendix 2 on page 33 gives further details). However this formula is currently being replaced by the 4 Block Model. Once details of this are received from SCC we will update our information accordingly.
7. The welfare benefit work also supports that of the Private Sector Tenancy Support Officer, 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.

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)

Appendix 1

Financial and Case Summary

Year 1 (2000/01) - Operational for six months

Area	Casework	General Help and Welfare Benefit Checks	Lump sum £	Increase to Annual Income £
Total for District	139	419	1,514.21	43,741.72

Year 2 (2001/02) - Figures include 3 months of Additional Hours work

Area	Casework	General Help and Welfare Benefit Checks	Lump sum £	Increase to Annual Income £
North	12	277	1,696.00	13,814.84
North Add	7		0.00	8,305.80
East	9	204	520.00	4,053.40
East Add	8		731.25	2,925.00
South	22	511	5,993.00	24,434.00
South Add	11		729.51	7,793.76
West	148	300	13,167.98	146,357.19
West Add	26		2,427.79	24,183.64
Benefits Officer	93	22	8,631.84	72,049.20
Total for District	336.00	1314	33,897.37	303,916.83

Year 3 (2002/03)

Area	Casework	General Help and Welfare Benefit Checks	Lump sum £	Increase to Annual Income £
North	39	121	4,035.84	20,082.92
North Add	52		10,695.29	39,259.40
East	46	347	10,429.49	91,417.48
East Add	64		12,025.30	129,484.00
South	28	1067	3,822.33	29,011.71
South Add	51		10,247.66	40,197.04
West	70	1018	17,339.19	96,583.42
West Add	87		25,748.00	161,902.77
Benefits Officer	138	38	19,429.53	122,454.10
Total for District	575	2591	113,772.63	730,392.84

* Figures to be confirmed

Year 4 (2003/04)

Area	Casework	General Help and Welfare Benefit Checks	Lump sum £	Increase to Annual Income £
North	1	182	0	851.76
North Add	53		17,987.00	92,513.10
East	28	230	6,872.36	53,361.20
East Add	48		13,876.00	82,858.20
South	0	0	0.00	0.00
South Add	40	462	9,727.80	79,481.50
West	10	553	1,926.50	13,703.50
West Add	101		42,625.80	235,705.00
Benefits Officer	127	34	31,373.14	133,376.94
Total for District	408	1,461	124,388.60	691,851.20

Year 5 (2004/05) (as at 6/9/05)

Area	Casework	Lump sum £	Increase to Annual Income £
North	70	20565.00	108,904
East	139	37,527	217,277.00
South	101	34,267.00	156,783.00
West	150	49,325.00	285,455.00
Benefits Officer	127	21,159.00	141,165.00
Total for District	587	162,843.00	909,584.00

Year 6 (2005/06) (as at 27/11/06)

Area	Casework	Lump sum £	Increase to Annual Income £
North	49	11287.00	51,022
East	83	22,976	123,645.00
South	104	40,027.00	235,801.00
West	134	28,145.00	225,156.00
Benefits Officer	120	34,269.00	149,279.00
Total for District	490	136,707.00	784,905.00

Year7 (2006/07) (as at 1/6/07)

Area	Casework	Lump sum £	Increase to Annual Income £
North	76	21804.00	101,165
East	52	17,597	113,415.00
South	91	20,367.00	85,075.00
West	119	21,346.00	142,727.00
Benefits Officer			
Total for District	338	81,114	442,382

Please Note: These figures for Year 7 are provisional and will increase

FORMULA SPENDING SHARE.

Effect on SCC in:

	Year 1	Year 2	Year 3
One extra dependant child of Income Support claimant	£ 567	£ 1,134	£ 1,701
One extra dependant of working families tax credit claimant	£ 68	£ 136	£ 204
One extra Income support claimant (pensioners)	£ 156	£ 312	£ 468
One extra Income Support Claimant (aged 16-64)	£ 61	£ 122	£ 182
One extra Income Support claimant (all ages)	£ 46	£ 92	£ 139
Attendance Allowance / Higher disability living allowance	£ 310	£ 620	£ 930
Unemployment related benefit claimants	£ 59	£ 119	£ 178
Incapacity and severe disablement allowance claimants	£ 23	£ 46	£ 69

NB: Housing Benefit has now become a specific grant.

Information supplied by Treasury Dept and Somerset CC, 11.11.03.