

Joint Area Committee - West - 21st October 2009

## **6. 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 2008/9.

### **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 2.5 full time posts) who are responsible for undertaking casework for clients, identifying their welfare benefit entitlement. Due to the 20% increase in the number of cases in 2008/9, coupled with the economic downturn, it has been agreed that the Team can be increased by 1 x f/t post for a period of 2 years. 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.

## Client Case Study 1

June was referred by David Laws MP. She is a 48 year old woman suffering with a serious thrombotic syndrome. She is permanently disabled, housebound and suffers from depression. Fortunately, she was living in a room in a relative's house as her only income was Disability Living Allowance, Low Rate Care of £18.65. per week.

June had applied for Incapacity Benefit previously, but was refused at that point as she had not paid sufficient National Insurance contributions. We interviewed her and established that she satisfied contributions for the benefits year 2009 on the basis of National Insurance paid for 2005/6 and credited for 2006/7 and 2007/8.

This enabled us to help June claim ESA (Employment Support Allowance) requesting backdating from 04/01/09 (ESA replaced Incapacity Benefit for new claimants from Nov 2008). Unfortunately, the Department of Work and Pensions (DWP), initially filed away her claim unprocessed, and then it was passed from one benefits office to another. We had to work via the DWP Customer Services in Exeter to finally get the claim processed. Unfortunately, the DWP then processed her claim on the benefit years when June had not paid or been credited with sufficient National Insurance contributions and hence her claim was disallowed.

This meant we then had to Appeal her case and finally the claim was processed properly in August 2009 and June was awarded ESA of £89 per week. June was truly relieved as it had been proving impossible to live on just £18.65 per week.

## Client Case Study 2

Another David Laws, MP referral received in the latter part of 2008, concerned April who suffers with an auto-immune disease affecting her lungs and blood vessels. By the time we met April she had already had 2 mini strokes and arthritis for several years, and at the time of referral was being treated for Cancer (radiotherapy). Ostensibly her query was about a misunderstanding over a particular benefit. However, as we worked with April carrying out our usual welfare benefits health check to ensure she was in receipt of all her eligible benefits, it became clear that she was being underpaid by £50+ per week. We liaised with the DWP, who confirmed that this situation had been going on since 2003!

April was delighted when the situation was finally resolved in early 2009 and she was paid arrears of Income Support totalling over £14,000.

\*All names used are fictitious

## Addressing Need

Up to £9.99 billion of means tested benefits were unclaimed in 2006/7 (85% expenditure take-up). Using estimates supplied by the Office of National Statistics, this would indicate that up to £26.6 million could go unclaimed by the people of South Somerset.

## Report

### Progress to Date

The table shown at Appendix 1 (pages 6-7) gives an overview of what has been achieved over the last 9 years.

During 2008/9, the Welfare Benefit Team undertook casework for **605 clients across South Somerset achieving an Annual Income for clients of £862,889. In addition clients received a total of £227,219 in Lump Sums. Combined total: £1,090,108. Please note that these figures are provisional due to the time lag involved in benefits being awarded/clients confirming their award, and we would expect these figures to show a further increase over the coming months.**

It should be noted that the figures show only those details confirmed by clients to us. Whilst we discuss outcomes/send Follow Up Forms not all clients respond to 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.

As a member of the Welfare Benefit Team Andy Pennington holds a surgery at the Crewkerne Office every Wednesday. Andy is ably supported in this role by Phil Vose who frequently identifies potential clients and books appointments accordingly. In total 106 appointments were held in the Crewkerne Office during 2008/9. **The total number of clients assisted throughout Area West in 2008/9 was 244, achieving Annual Income for clients of £397,143. In additional Area West clients received Lump Sums totalling £110,141.**

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 figures for Saved and Maintained Tenancies for 2008/9 currently stand at 29 and 72. We consider these figures may increase over the coming months due to the effect of the time lag from commencing work with a client to finishing working with them.

Assuming the cost to SSDC of dealing with a homeless application is £5000\* per family, the 29 x tenancies saved by the intervention of the Welfare Benefit Team equates to a potential saving of £145,000. It is also arguable that further potential savings were made by the 72 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.

Out of the 605 clients we worked with in 2008/9 we took 76 cases to Tribunal. We won all but 4 of these. These cases result in clients receiving considerable backdated lump sums and significant increase in income. A further 15 cases have gone forward to Commissioner level. Out of these 15, 11 have been successful, and 1 is still awaiting a decision. One particular case - where the Upper Tribunal Judge overturned the previous decision concluding that the original decision made by the DWP was incorrect and that the original Tribunal who upheld that decision had made an error in law - resulted in new case law. This result means that not only will our client experience a real difference to their life, but it will have a positive impact on others with the same condition across the whole country.

The Senior Housing Support Officer also manages South Somerset Careline in addition to the Welfare Benefit Team. (This has the added bonus of the Careline staff being able to identify welfare benefit issues in the course of their work). At April 2008, Careline was supporting 1,835 clients. By 31<sup>st</sup> March 2009 we had increased our client base by 109 to 1,944.

## JAW

Careline, which is self sustaining, 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 just left hospital.

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

### **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 will 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 SCC/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 36 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:

Corporate Aim 2: Increase economic vitality and prosperity

Corporate Aim 3: Improve the health and well-being of our citizens

**Other implications**

None.

\*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

**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*