

**Social Policy Summary July - September 2006**

**DWP**

**Crisis loans**

**Case study 1** – Single person recently found fit for work after Personal Capability Assessment. Claim to Income Support submitted via telephone. Due to no money client advised to submit a claim for a crisis loan. Returned to our office less than 15 minutes later in tears. Apparently told by person at DWP that as a single person and with no current means to repay the loan if allowed would not be allowed to submit a claim under any circumstances. We therefore contacted the local office to be informed that they were ‘weeding’ out claims and only accepting those that had means of repaying. Advised the person that they were not allowed to do this and as a right each and every individual no matter what their circumstances had the right to at least submit a claim. After much discussion a claim was taken over the telephone whilst the client was at our offices. (Crisis Loan actually granted as confirmation made Income Support claim had been made)

**Crisis loans**

**Case study 2**

Client who is pregnant and has health problems fainted whilst out shopping. During this incident someone stole her purse. Client is on Income Support and has £60 in the purse. Client phoned DWP to claim a crisis loan but was told it wasn't worth applying as she would be turned down.

Client came to CAB, we phoned and enquired about what seemed to be an approach of “fobbing people off”. This was initially denied but then went on to say that they do often tell clients that their claims may be unsuccessful – even though they are not the decision makers.

We expressed that we felt the client had the right to apply to the social fund and have her decision made by a proper decision maker in writing, so that it could be properly appealed against if needed. We assisted the client in claiming. This is not the first such incident of DWP staff appearing to make decision-makers decisions.

**Crisis loans**

**Case study 3**

A significant social policy issue for clients this quarter has been the inaccessibility to crisis loans. Client's are no longer seen at the DWP office and are asked to phone the Crisis Loan number. Clients are unable to get through on the telephone line. The number has been constantly engaged. There is no ex-directory provision for advisers to get through either. In some cases crisis loan forms have been downloaded from the internet and clients have posted them but this takes time when a crisis warrants a rapid response. Over all there are problems with getting through on DWP lines and staff who believe that advisers should not be coming through on ex directory lines.

## **Delays/difficulties in access**

### **Case study 1**

Jobcentre plus has now been rolled out district wide with both clients and advice agencies reporting great problems with in particular accessing new service. Benefit agencies have been closed completely and others are closed to the public ( a recent area for concern was when, a client who attended one of the now closed offices only to be told that he needs to go round the corner and use the public telephone). The telephone call centres are very hard to get through to for clients as well as advisors; client are called at some point often several days later and the applications taken over the telephone, often taking up to two hours. A lot of clients are having to wait between 2-4 months before claims are being sorted out and payments given. Many of the advisor dedicated lines are being withdrawn, all the advice agencies are consulting and gathering information and more evidence on a day to day basis. Official complaints are being made on behalf of clients as well as requests for compensation for delays and errors in claims.

## **Delays**

### **Case study 2**

Client bereaved 1 year, bereavement allowance ending Aug, applied for IB/IS through JC+ in June. Attended WFI 07/08/06.

25/08 T/C to JC+ to be advised they had not received her papers (in spite of conducting WFI) Could not speak to a supervisor as they had "all gone home". 29/08 T/C – supervisor "busy" still no sign of papers. New copies sent out to client by JC+ to sign.

31/08 New forms signed and TAKEN in by adviser and client personally.

01/09 T/C to JC+ forms received but further ID needed.

04/09 ID TAKEN in by adviser. T/C later confirmed papers faxed to Leeds Rd as urgent.

## **Difficulties accessing services**

### **Case study 3**

We get a huge number of social security enquiries for which we have to ring the Benefit Agency.

Since the department has introduced a new telephone number to ring for such enquiries it has become extremely difficult for us advice workers to get through to the enquiry office.

At times it has taken over half an hour to get through and this causes a lot of frustration for us as well as the clients.

## **Difficulties accessing services**

### **Case study 4**

Ongoing problems with Jobcentre Plus and people trying to get through to the Benefit Enquiry line seem to be the most dominant issue. Shipley doesn't have a Social Fund section or a payment office so people still need to travel to

Westfield House for counter payments. This is always a problem for people as it takes a bus journey to get there and often they do not have bus fare.

### **Difficulties accessing services**

#### **Case study 5**

Jobcentre Plus – under 18s required to register as unemployed and sign-on in Bradford. No provision for this age group and JSA in Keighley with effect from February 2006.

### **Income Support**

#### **Case Study 1**

##### Visit 1

Mr Z came to see our Health plus advisor who works in GP practices. He was very confused and had difficulty in talking to people he also had memory problems. He had recently changed his GP which meant that his medication had not been updated as the process of changing GP's is not a trouble free one.

He had claimed Job Seekers Allowance but has not yet received a payment having left work on the 21<sup>st</sup> June. When telephoned JSA advised that he had claimed Incapacity benefit and Income Support. The client then remembered that he had not returned the papers until the day before.

##### Visit 2

On the next visit the client had lost a bag of personal papers and was upset about this the advisor helped him report this to the police. He had had a letter from Incapacity benefit which said he had not paid enough National Insurance contributions to be paid this benefit. The client did not understand why he was getting letters from IB when he needed IS. The advisor spoke to a clerk about the claim for Income Support and was told that the client would not be entitled to IS as he was not entitled to IB. The advisor explained that this was incorrect and was eventually able to discuss the case with IB at supervisor level. The supervisor agreed that he would be entitled to IS and she agreed to phone IS to notify them to pay him some benefit. He eventually received his income support payment on the 18 August having made his claim at the end of June.

The delay in processing the claim for IS meant that the advisor then had to deal with the issue of non payment of rent as the housing benefit claim was unable to be processed due to the changeover of the HB computer system and the delay in the processing of the claim for IS.

This client is a vulnerable person with complex mental health issues and this is just a snapshot of the issues he came with. In total he made 10 visits to the healthplus worker from August.

## **Income Support Case Study 2**

Client had applied for IB on the 2 August and had received a letter on the 20 August saying she was not entitled to IB as she had not paid enough NI contributions. She had not made a claim for IS at the same time as making a claim for IB and came to see an advisor when she got the letter refusing IB.

A claim for IS was made on the 21 August no payment of IS had been received by 7 September. On telephoning the advisor was told that the claim had been at Westfield House and was now passed to Leeds Road for processing the computer record was transferred first followed by the paper records then they will process her case and decide on payment.....

She received a payment by the 15 September but was only paid from the date of the IS claim on 21 August, she lost benefits from 2 August because she claimed the wrong benefit she did that because she didn't know which benefit to claim.

Both these case studies focus again on the major social policy issue relating to Jobcentre plus and highlight the impossible job that advisors have in their relationship with workers at Jobcentre plus. People who have to claim benefits without support from an advice centre don't stand a chance.

I don't know how people are supposed to manage their way through the bureaucratic maze especially when having to deal with clerks who say things which are just plain wrong. In both these cases without help its likely that these clients would have just accepted non entitlement to a basic benefit and in case study 1 the man mentioned may even have found himself evicted and penniless, which would have had a serious effect on his mental health.

## **Income Support Case Study 3**

A lone parent stopped claiming Income Support when her boyfriend moved in with her. The relationship broke down very quickly and she was soon on her own again with three young children to support aged 1, 2 and 3 years. She asked to reclaim benefit and was told by both the Job Centre and the new benefits Call Centre that she did not need to complete a brand new claim but could make what was called a Rapid Reclaim.

She contacted Royds Advice Service three weeks later as she had heard nothing further and was in desperate financial hardship. We rang on her behalf and were told that a Rapid Reclaim did not apply in her case and she would have to make a complete new claim.

We helped her to get her claim set back up. However, she was still owed three weeks money as Income Support now refused to back date her claim.

We appealed the decision and wrote on her behalf arguing that it was the Job Centre's fault her claim was late as they had given her wrong advice in the first place. There were then further delays as her claim papers had been put into storage. After numerous phone calls we finally got the decision reversed and our client was paid the Income Support she was owed.

In all, it took us over two months to complete this case.

## **Incapacity Benefit appeals**

### **Case Study 1**

I have worked for Royds Advice Service for nearly three years. During the first two years of my employment I dealt with two incapacity benefit appeals. During the last nine months, I have dealt with five IB appeals.

The government has announced that as part the proposals for welfare reform it intends to abolish incapacity benefit in 2008 and introduce a new employment support allowance in its place. The intention is to have 'a positive assessment incorporating assessment of capability and of health related interventions which would contribute to overcoming health-related barriers preventing people with disabilities from engaging in work' (DWP report Transformation of the Personal Capability Assessment).

Although the government has stated the reforms are not intended to be punitive and the purpose is to support people into work, there does appear to have been a change in approach by some of the doctors carrying out the medical assessments for incapacity benefit. Clients who have been on incapacity benefit for as long as 10 years are now being found fit for work.

For example, a 56 year old man who has suffered arthritis, limiting his walking, reaching, bending and stretching ability for over 10 years was found fit for work. On attending the Incapacity Benefit Appeal Tribunal it took the Tribunal members, a legally qualified Chairperson and a doctor, just 10 minutes to determine that he was not fit for work.

It takes on average 6 months for an Incapacity Benefit Appeal to be heard. This client was receiving £81.95 income support on the basis of incapacity. Following the assessment that he was fit for work he had to go on to the basic rate of income support, reduced by 20% because he was appealing. This is £45.96 per week. This has caused him severe financial hardship. He lives with his sister and they share the household expenses. He has not been able to meet his full share of these expenses. He also suffers from depression and during the six month wait for the appeal this has worsened.

Following the Tribunal decision that he is not fit for work he feels as though a weight has been lifted from his shoulders and he will now be able to 'pay his way' with his sister.

## **Incapacity Benefit**

### **Case study 2**

Many clients are having to complete new IB50's and attend medicals due to this many clients are not being awarded sufficient points to qualify therefore high increase in appeals for Incapacity Benefit.

## **Capital deprivation cases**

The Welfare Rights Adviser has dealt with several cases where the client is appealing against a DWP decision that they have deprived themselves of capital.

The client came to the CAB because he had been told that he wasn't entitled to IS due to having deprived himself of capital of about £30,000. He had been claiming IS due to a long-term illness and was also claiming for his wife. Several years ago, he had developed a gambling problem and had fallen heavily into debt. When his family found out, they agreed to lend him a large sum of money on the understanding that he would pay his debts and stop gambling. He continued to gamble and fell further into debt. His family agreed to help him a second time on the same conditions. This time, they said that they would have nothing further to do with him if he did not stop gambling. The client paid his debts with the money from his family and stopped gambling. As he had no means of repaying his family, he decided to sell his house and buy a smaller one. He made approximately £30,000 from the sale, which he used to reimburse his family for the money they loaned to him. The DWP did not accept his explanation and decided that he had spent his capital in order to claim IS. The client was left with no income and, once again, he was forced to turn to his family for help.

We assisted the client to appeal on the basis that the purpose of his expenditure was to repay his family and not to claim IS. We collected supporting evidence from the family members involved and prepared the client for the hearing. We provided a written submission to the tribunal, in which we referred to relevant case law and represented the client at the hearing. The tribunal found in the client's favour, accepting that he had not spent his capital for the purposes of claiming IS. This outcome led to a financial gain of nearly £6,000 for the client.

### **Social Policy: Debt Case study 1**

We have had several cases where homeowners have been given secured loans which they cannot repay. This has included people on Income Support and clients approaching retirement age, as the example below illustrates. The client came for advice about his multiple priority and non-priority debts.

He took out a secured loan of £25,000 in August 2005 for home improvements. The client was aged 59 and the loan was repayable over 30 years. With interest and insurance the total amount repayable is £73,300.

The client's employer reduced his hours in early 2006 so he couldn't afford both the secured loan and his mortgage repayment. The long term prospect of having to repay this loan to the end of his natural life caused the client a lot of stress. In April 2006 he was diagnosed with a life threatening illness, needing two operations, and went onto Statutory Sick Pay.

If he cannot meet the repayments of £500 per month on the secured loan the lender is likely to take court action for possession of his property. Without this loan the client may have been able to manage his essential expenditure.

We are concerned that this is a case of irresponsible lending, given the client's age and the length of time it will take to repay the loan. When he retires the client will be in receipt of Pension Credit only. Had the creditor

checked this they would have realized that he can't afford the monthly payments once he retires, 6 years into the 30 year loan period. Creditors need to be better regulated in order to make sure their lending policies and practices are reasonable given a client's age, income and other commitments.

### **Case study 2**

Debt problems seem to be increasing with more clients looking at Bankruptcy route, we have made 2 applications for Bankruptcies this quarter, this option is used only as a last resort.

### **A8 nationals**

A8 national attended drop-in-session. Client has one young child and is 7 months pregnant. Client came to UK 18 months ago. She has never worked in the UK and lives with relatives. Client is finding it hard to financially manage and desperately requires assistance. Unfortunately client is unable to claim any benefit since she is not treated as having the right to reside in UK. Could not find any help for the client.

### **Tax Credits**

We have recently had several cases of clients with Tax Credit overpayments. Where we have identified official error we have challenged the decision to recover the overpayment. The response from the Tax Credit Office is that the client should have realised s/he was being overpaid. This is the response even in cases where the client's first language is not English, where the client has no experience of the Tax Credit system, and where there has been domestic violence. We have sought advice and are now asking the Independent Adjudicator to look at these decisions or asking for the overpayment to be written off, reduced, or recovered over a longer period on the grounds of hardship. With a service that is already stretched this places additional pressure and demand on workers and on clients to find a favourable decision for the client.

### **Dentists**

One of the ongoing issues that we are dealing with is the lack of NHS dentists. Many dentists moved to private practice (and fees) and therefore the number of NHS dentists is reduced. An example is of a client who was claiming Income Support. His dentist stopped providing NHS treatment but did not give any information about other services/dentists who were. Client did not know where to find one. We phoned NHS direct and did find a dentist however there are no local dentists and therefore the new dentist involves a lengthy trip which has additional travel costs. The amount of travel costs are limited and the client cannot afford the fares out of his Income Support.

### **Housing**

Client was a young man (24 years) of dual heritage and with a physical disability. He was homeless, and having difficulty obtaining accommodation through Homehunter due to his history of anti-social behaviour 6 years previously. More recently, he had had problems with rent arrears with a private landlord, and he was afraid this might also affect his ability to obtain social housing. When his bid was eventually successful on Homehunter (i.e.

he achieved a no. 1 bid), the offer was withdrawn. The client was not provided with any explanation as to why the offer was withdrawn, or what he could do to appeal the decision. This client was homeless, and this failure to make an offer caused uncertainty, loss of opportunity and stress for the client.

Under the current Homehunter Allocation system, an applicant has no way of knowing beforehand whether their particular history will prevent an offer being made, and what remedial action is necessary. There is also an issue of access, in that the applicant does not know who to make the case to. There is apparently no common policy among the partner landlords (even at the lowest common denominator level) on how to deal with issues of references

With CHAS's intervention, it was agreed that bad behaviour that took place 6 years ago, and had not led to any conviction or ASBO, should not warrant denial of a tenancy. The issue of recent rent arrears from a private landlord remained an issue for some registered social landlords on Homehunter, but of others.

**Policy Issue:** More legislation is required in the area of Allocation law. This area is under legislated and relies on procedures/ discretion, and is open to malpractice and or maladministration. This appears to be the case within Homehunter, which is not transparent in this area. Advisers are unable to empower the clients.

### **Equipment needs of disabled people**

This is a major issue that our advisors come across quite often. Due to lack of resources there is very little available in way of assistance with equipment. The client mentioned below was fortunate that she managed to get a wheelchair voucher for over half the cost of the wheelchair required and we raised the remainder of the funds through several charities. However, often clients compromise their situation just 'making do', rather than asking for further evidence to be taken into account or searching for additional funds via charities.

We received an application for assistance with funding from our client's mother for a bespoke lightweight wheelchair. Miss H lives with her mother and father who offer her the 24-hour attention she requires. Miss H is 22 years old, has epilepsy, severe learning disabilities, autistic spectrum disorder, multiple allergies, asthma and is a permanent wheelchair user.

Miss H had an assessment through the NHS mobility service and a voucher was issued over six months ago but the family were unable to afford the extra money required for the wheelchair at that time. Both Miss H's health and her carers had got worse in the last six months and they had not informed the NHS that their needs had increased. DaB assisted with a revised NHS assessment resulting in the voucher being doubled from its original value. DaB approached several charities for the remainder of the funds with the result that a wheelchair costing £3460 could be ordered.

### **Housing Benefit**

Client Y has been reduced their working hours. WTC were advised over the telephone and it was identified that they could be eligible for Housing Benefit and Council Tax rebate. Both forms were completed.

Client later came with a letter from HB to provide evidence of landlords address. Landlord is a student living in London, parents were acting as agents. HB was contacted and explained the situation. HB insisted without the requested information they will not process the application further as they had no records of the parents acting as agents.

Client was very unhappy as there now was further delay. We explained the situation and also suggested to get something in writing from the landlord giving parents the authority to act as agents. After a few days a letter was brought back into the office and HB were again contacted over the telephone. On this occasion they agreed for the letter to be sent.

Recently client has been awarded HB.

If HB had mentioned in the first place something in writing will help, then it would have been easier. Sometimes HB doesn't seem to want to understand the situation and then advice and assist.