
ARGYLL AND BUTE COUNCIL

COMMUNITY PLANNING PARTNERSHIP

CUSTOMER SERVICES

26 NOVEMBER 2012

WELFARE REFORM UPDATE

1.0 SUMMARY

3.0 DETAIL

their tenants in understanding and planning for these changes. In the first 6 months of 2012/13, the Council's welfare rights team has seen an increase of 24% in the volume of appeals which they have submitted on behalf of residents. Clients are routinely waiting for 3 weeks before getting an appointment with a welfare rights officer.

THE IMPACT OF THE BENEFIT CAP IN ARGYLL AND BUTE

- 3.6 DWP submitted information to the Council on 17 September 2012 advising that 16 households in Argyll and Bute were potentially affected by the cap however, having analysed the detail 4 households are no longer residing in Argyll and Bute therefore the estimate is reduced to 12 households impacted. TDhs a

estimated at £40m. It has been agreed that the Scottish government pays £23 RoS-P34,5C

3. Design the frontend face to face service and back end decision making with a view to protecting staff from potential consequences of a negative outcome.
4. Work with the Post Office and other providers such as Paypoint to develop a mechanism for making Social Fund payments to customers.
5. Discuss a national procurement and distribution mechanism for Community Care Grants whereby furniture and white goods can be provided to help a family take up a new tenancy.
6. Speak to food banks about the provision of food parcels in Argyll and Bute for those who do not get a payment or food voucher from a Social Fund application.
7. Look at developing a more holistic approach to the administration of Social Fund by including other passported benefit applications, DHP applications and Social Work section 12 and section 28 funding applications under the one unit.

DISCRETIONARY HOUSING PAYMENT (DHP)

- 3.31 The Council currently receives £58,625 per annum from the DWP to distribute to HB and CTB claimants who are deemed to be in hardship. This is Argyll and Bute's share of a £60 million national pot.
- 3.32 The funds are provided for short-term financial support for claimants to give them time to reassess their finances and their housing options, negotiate their rent with their landlord and make decisions about the viability of their ongoing tenancy. Support is normally provided for a period of 13 to 26 weeks and is capped by the difference between the level of HB received and the claimants total eligible rent.
- 3.33 The DWP have announced that from 1 April 2013 there will be two additional pots of DHP funding to specifically address the HB restrictions relating to benefit cap and size criteria. This funding will be provided in addition to the £60 million existing DHP fund.
- 3.34 They have announced that £80 million of DHP funding will be made available to support the HB restrictions relating to the Benefit Cap. In addition they will provide further £35 million of DHP to support the implementation of the size criteria measures.
- 3.35 The Council expect to be advised by DWP how much DHP funding will be received in respect of each of the three specific funding st

PERSONAL INDEPENDENCE PAYMENTS

- 3.38 Personal Independence Payments (PIP) will replace Disability Living Allowance for people of working age (people aged 16-64) from April 2013. The reforms are designed to ensure that those claimants who face the greatest barriers to living full, active and independent lives continue to receive the right levels of support.
- 3.39 Entitlement will be based on the degree to which individuals are able to participate in society, not on their health condition or impairment and there will be a phased introduction beginning with new claims in North West England so that the process can be tested and reviewed. In October 2013 the DWP will begin assessing everyone who gets Disability Living Allowance for Personal Independence Payment. By March 2016 all current Disability Living Allowance claimants of working age will have been contacted about assessment to Personal Independence Payment.
- 3.40 This measure is designed to further reduce the benefit bill and force some claimants into work. In Argyll and Bute for the first quarter of 2012 there were 4890 claimants of DLA (source: Scottish Neighbourhood Survey). Based on national projections, up to 900 claimants could be refused an award under PIP or receive a reduced award. DLA awards range from £20.55 per week to £131.50 per week so the potential loss of disability income for households in Argyll and Bute could be very significant.

SINGLE FRAUD INVESTIGATION SERVICE

- 3.41 The Council currently employs a team of 3FTE to investigate Housing and Council Tax Benefit Fraud in Argyll and Bute. In 2011/2012 the team issued 67 sanctions identifying in excess of £140,000 of fraudulent benefit overpayments.
- 3.42 In 2013 the DWP have stated that the team will become part of the Single Fraud Investigation Service (SFIS) which will be a single body incorporating existing fraud officers from local authorities, the DWP and HMRC.
- 3.43 In the initial stages of SFIS the staff will continue to be employed by the Council but work to SFIS policies and procedures. In the longer term it is proposed that the posts will be made redundant as SF

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