

Welfare Reforms: Monitoring the Impact on Somerset, 2015/16



The Welfare Reform Act 2012 introduced a wide range of changes to the benefits system, implementation of which began in April 2013. This report is the third produced by Somerset Intelligence considering the ongoing local impact on the county. It is based on a range of indicators, supplemented by local case studies and findings from external research.

Information has been provided by Somerset County Council, District Councils, housing providers, advice services and food banks, with further input from the Financial Inclusion Partnership. The report has been compiled by the Somerset Intelligence team at Somerset County Council on behalf of the Somerset Intelligence Partnership (SIP).

While this report is produced annually, any new analysis or intelligence can in the interim period will be added to the Somerset Intelligence website on <http://www.somersetintelligence.org.uk/welfare-reform-impact-monitoring/>

Summary of Findings

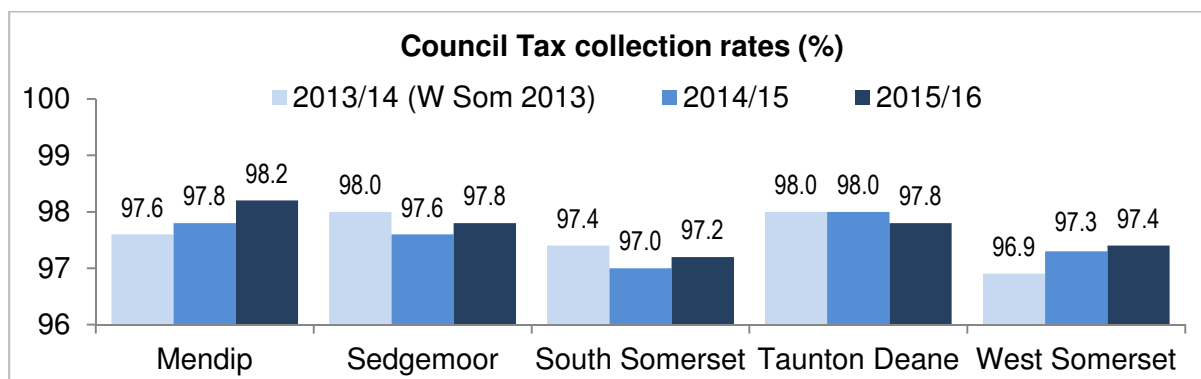
- Reform of the welfare benefits system has impacted on thousands of Somerset residents, as well as organisations which support some of our most vulnerable people. However, the latest annual data indicates a reduction of negative impacts in many issues, offset by some areas of increasing concern. Nevertheless, figures in many cases remain higher than they were prior to the introduction of welfare reform.
- As last year, there remain some geographical variations, with some district areas bucking general countywide trends.
- After localised council tax support schemes replaced Council Tax Benefit there was a decline in collection rates and notable increases in actions taken against non-payment of Council Tax. In the past year, there have been improvements but numbers of Liability Orders issued by magistrates remain well above pre-April 2013 levels.
- Since the economic recession, possession claims issued by mortgage lenders in Somerset have fallen steadily, while possession claims for landlords have been on an upward trend.
- The numbers of people claiming Housing Benefit, those receiving help meeting costs through the Local Housing Allowance (LHA) and households receiving Discretionary Housing Payments (DHP) have fallen in the past two years. However, overall numbers of DHPs are still at more than double the levels seen in 'pre-welfare reform' 2012/13, and there are nearly 10,000 Somerset households for which payments are now not being uprated in line with local market rents.

- The numbers of households affected by the Benefit Cap and Spare Room Subsidy Reduction (SRSR, also referred to as the 'bedroom tax') declined year-on-year. The latter change was linked to downsizing and changes in eligibility criteria for new tenants. However, a lack of available one and two-bedroom properties mean that not all 'down-sizing' needs can be met.
- In 2015/16, local authorities in Somerset received 10% fewer homelessness applications than in the previous year, and the number accepted as homeless and in priority need dipped by 17%. The number of households registered on the Homefinder Somerset register also decreased in 2015/16, but this may have been the result of improved data maintenance.
- Based on data received from eight food banks, around 10,000 emergency food parcels were distributed in Somerset in 2015/16. The number of referrals to food banks run by the Trussell Trust remained broadly constant year-on-year. Benefit delays/changes remain the biggest cause of food bank use.
- Overall customer contact with local authority (LA) Revenues and Benefits services have declined since last year, largely driven by new working procedures. However, there is evidence from LAs and Citizen's Advice that caseloads are becoming more complex, impacting on the number of cases that the Bureaux are able to manage.
- More than 4,000 working-age people in Somerset are in receipt of Personal Independence Payments (PIP) but about 13,000 have yet to migrate from Disability Living Allowance (DLA). Citizens Advice report difficulties with the PIP claiming process, especially for mental health-related applications.
- By March 2016, just over 1,500 people in Somerset were on Universal Credit (UC) and from 2016, 'full service' UC began rolling out, starting in Sedgemoor in May, then Mendip in July, Taunton Deane and West Somerset in October, with South Somerset's start date yet to be confirmed. Citizen's Advice Sedgemoor already report a notable increase in the number of clients raising UC issues, especially related to the six-week time delay between application and first payment, and also access to digital support and services.
- While the DWP have not released forecasts for numbers in Somerset of new UC claimants or those with a change of circumstances, they are scoping these locally with individual LAs based on DWP funding to provide personal budgeting services. There are regular meetings involving representatives of the local DWP, LAs, Registered Providers (RPs, formerly Housing Associations) and Advice Bureaux.
- The roll-out of Universal Credit in Somerset will bring welfare changes to tens of thousands of additional households and is set to pose further administrative challenges in the form of lump-sum direct payments and 'digital by default'. While LAs, RPs and Advice Bureaux are already working with tenants to mitigate potential financial and administrative problems, increased demand on their services are anticipated across the next five years as migration of existing benefit claimants to UC takes place between 2018 and 2021.

1. Council Tax Collection

1.1. Council Tax Collection rates

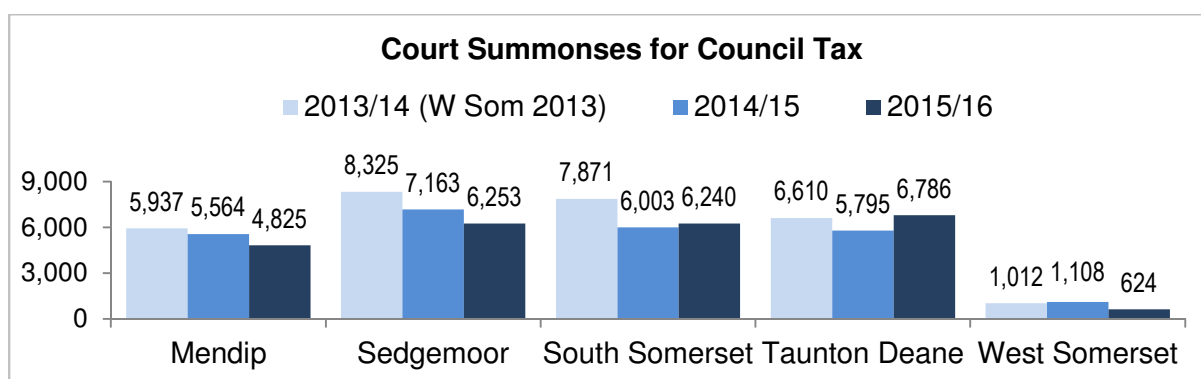
- Council Tax collection rates remained high in 2015/16, with rates in all districts above the national average of 97.1%.
- Year-on-year, collection rates in 2015/16 rose marginally in four of the five districts but in all cases are slightly lower than pre-reform rates (2012/13)

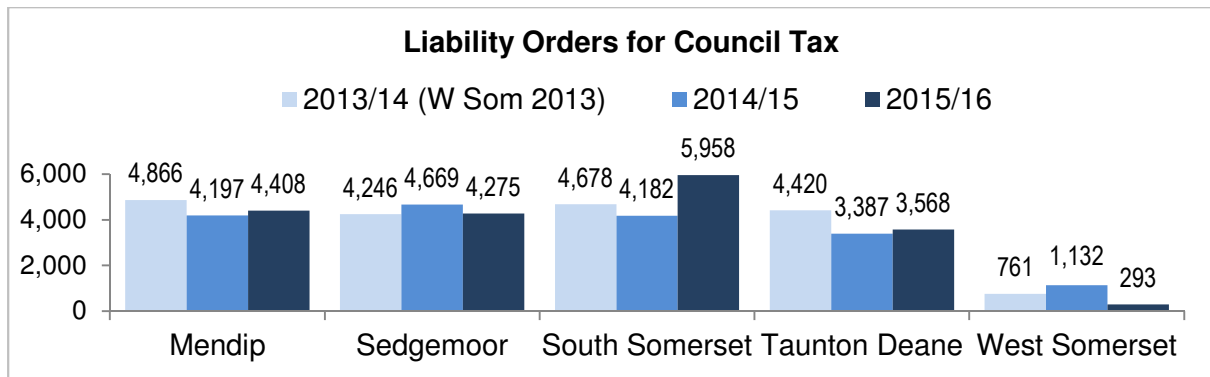


Source: MDC, SDC, SSDC, TDBC & WSC

1.2. Non-payment of Council Tax

- Numbers of **court summonses** issued for non-payment of Council Tax in Somerset declined by 4% in 2015/16 compared with the previous year, to a total of 24,728. However, figures are still 14% above pre-reform levels
- Numbers of **liability orders** (legal demands for payment) issued by magistrates in respect of unpaid Council Tax increased by 5% in 2015/16 compared with the previous year (to a total of 18,502), albeit with some district level variations. For example, in South Somerset, orders rose by 42% but in West Somerset, they dropped by 74%.
- Again, countywide numbers are still well above pre-reform (2012/13) levels.





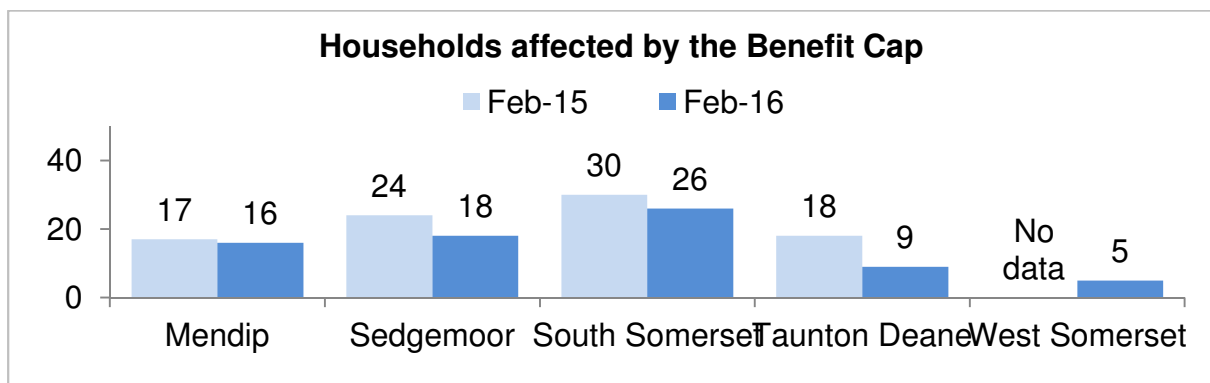
Source: MDC, SDC, SSDC, TDBC & WSC

1.3. Council Tax Support

- 33,495 Somerset tenants received a discount on their council tax bill during 2015/16 through localised council tax support schemes. Localised council tax support replaced Council Tax Benefit in April 2013.
- Approximately half of council tax support recipients are of working age.

2. The 'Benefit Cap'

- The number of households affected by the Benefit Cap (the maximum amount of benefit working-age households can receive) remains relatively low in Somerset and has fallen in all districts. Capped households typically contain four or more children.



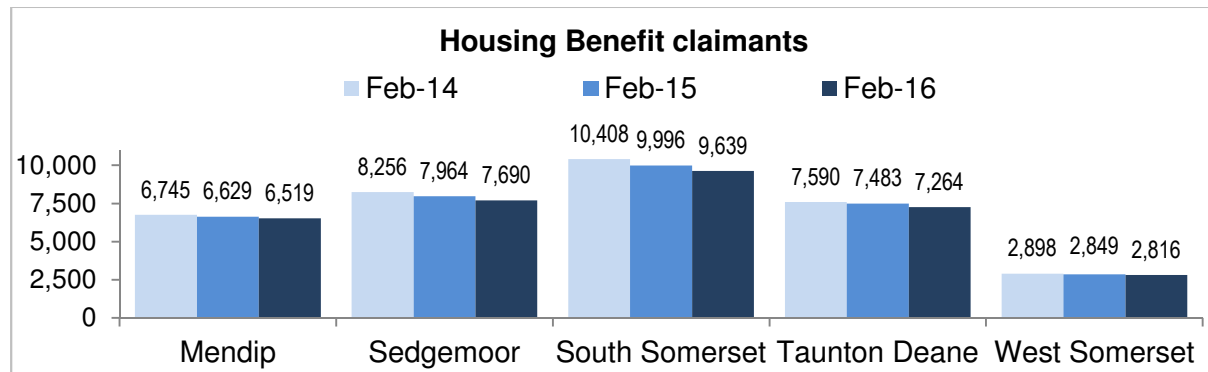
Source: DWP

- The government has announced reductions to the Benefit Cap from November 2016. The total amount a family can claim will reduce from £500 per week to £385 per week. The total amount a single person will be able to claim will decline from £350 per week to £258 per week.
- Information available for Sedgemoor (from the DWP) suggests a total of 177 cases will become affected by the lower benefits cap, around ten times the number currently affected.

3. Housing Affordability and Supply

3.1. Housing Benefit

- Numbers of housing benefit claimants continue to decline in all Somerset districts.



Source: DWP

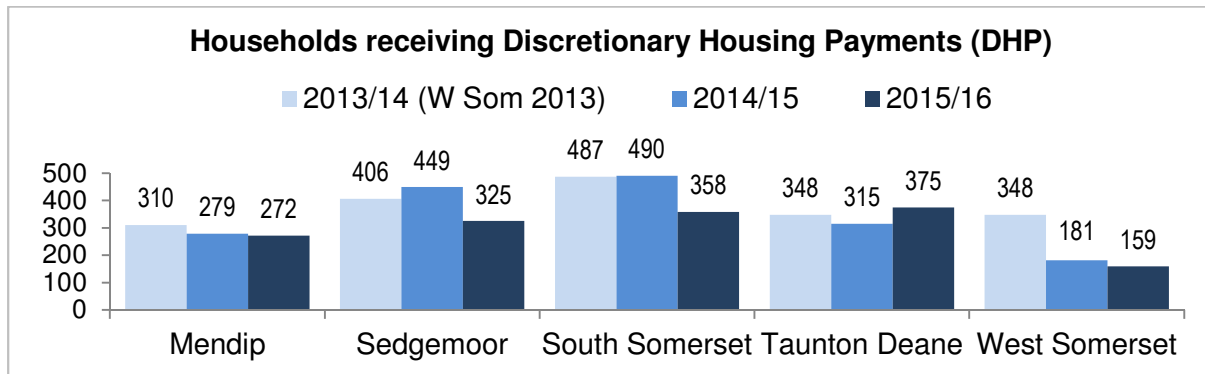
- The current make-up of Housing Benefit (HB) claimants is as follows:
 - Single person, no child dependant: 17,760 (52% of claimants)
 - Single person with child dependant(s): 8,198 (24%)
 - Couple, no child dependant: 3,866 (11%)
 - Couple with child dependant(s): 4,106 (12%)
- Information available from Knightstone Housing indicates that just under half of their tenants are on an element of Housing Benefit (2,907 of 5,970 households).
- Overall, numbers of Housing Benefit claimants in Somerset are at their lowest level since 2010, linked to an improving economy and associated reduction in unemployment.
- Note that the above figures do not differentiate between social rent and affordable rent. The rental stock profiles vary across the county, and so relative HB costs will also vary.

3.1.1. Local Housing Allowance (LHA)

- As at February 2016, a total of 9,685 Somerset tenants in the private sector received help with their housing costs based on Local Housing Allowance rates. This figure has declined by approximately 1,000 over the last two years.
- LHA rates are up-rated in line with the Consumer Price Index (CPI), currently only 0.5% (March 2016) not average market rents.
- The government announced in the 2015 Summer Budget the decision to freeze LHA rates for four years between 2016 and 2020.

3.2. Discretionary Housing Payments

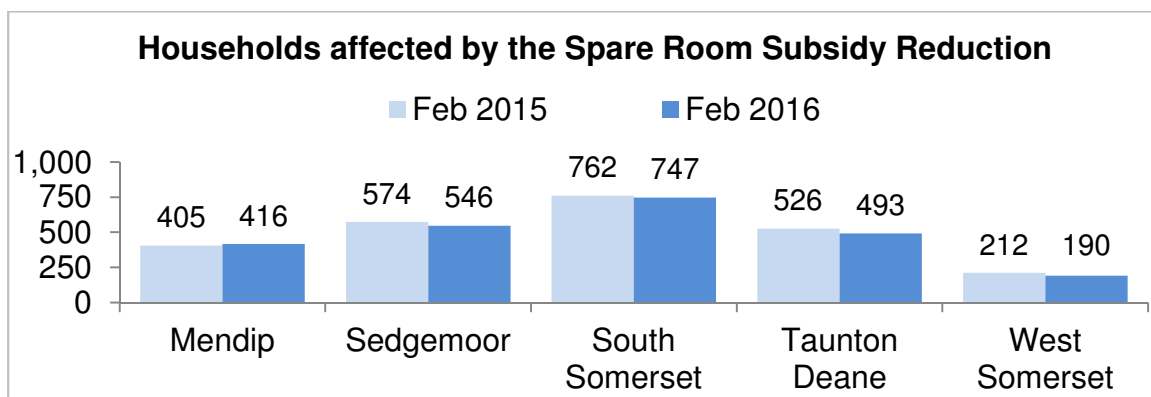
- Numbers of Households receiving extra help with housing costs through Discretionary Housing Payments (DHP) continue to fall, but with some district-level variations.



- Overall numbers of DHPs are still at more than double the levels seen in 'pre-welfare reform' 2012/13.
- Note that the 2015/16 Sedgemoor figure includes 27 for Homes in Sedgemoor.

3.3. Spare Room Subsidy Reduction

- Numbers of social housing tenants receiving reduced housing benefit as a result of the Spare Room Subsidy Reduction (also referred to as the 'bedroom tax') continue to decline in most districts, linked to downsizing, and to changes in eligibility criteria for new tenants.



Source: DWP

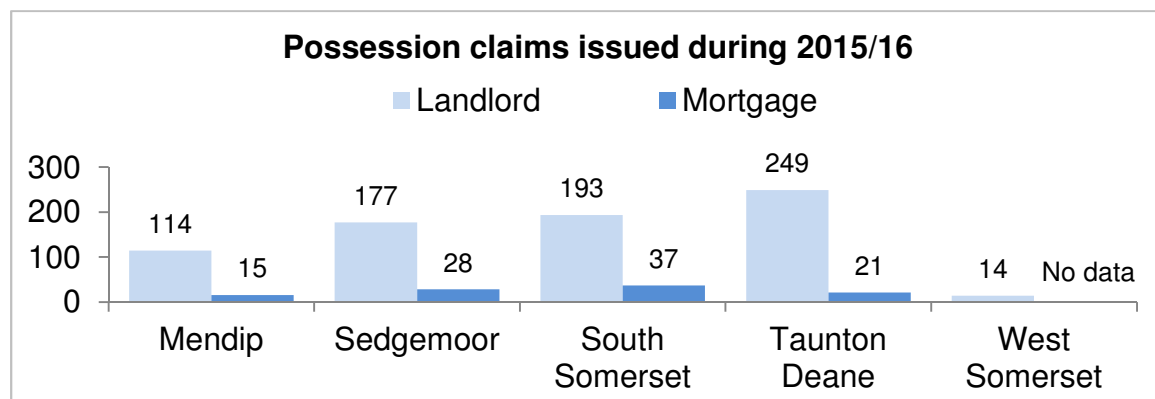
- The average reduction in Housing Benefit in Somerset is £15.62 a week (May 2016), marginally above the national average of £15.21).
- 281 of Knightstone Housing's 5,970 households are currently affected by the reduction.

3.4. Rent Arrears

- Homes In Sedgemoor report that 128 of 295 households affected by the Spare Room Subsidy are in rent arrears.
- Homes In Sedgemoor have reported 645 households in arrears for 2015/16, of which approximately two-thirds (62%) were in arrears by under £100. Around 2% (13 households) were in arrears of more than £1,500.
- Knightstone Housing report overall gross arrears of 3.1% as at March 2016, compared to 3.6% for March 2015.
- Previous feedback from housing providers has suggested that overall management of rent arrears has been good, despite the challenges of welfare reform.

3.5. Possession Claims

- Possession claims issued by landlords in Somerset increased by 3% in 2015/16, to a total of 747.
- Possession claims issued by mortgage lenders continued to fall sharply.

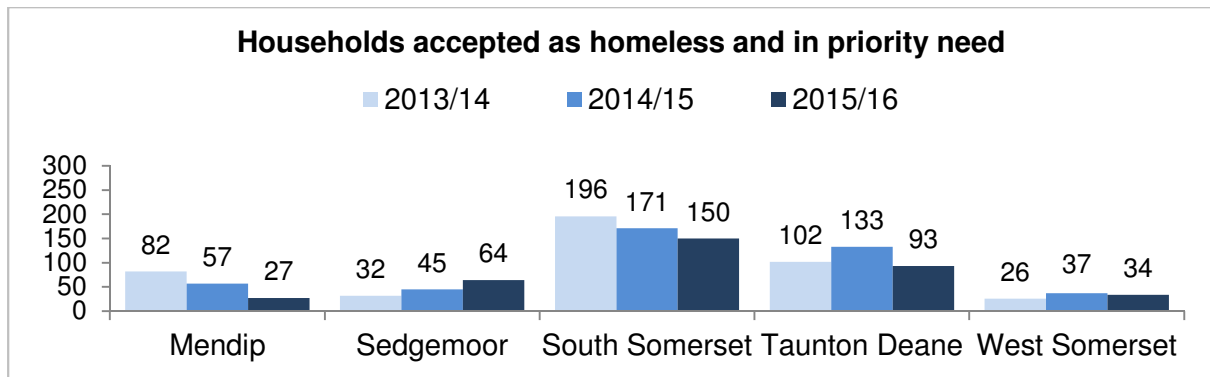


Source: Ministry of Justice

- Since the economic recession, possession claims issued by mortgage lenders in Somerset have fallen steadily, while possession claims for landlords have been on an upward trend.

3.6. Homelessness

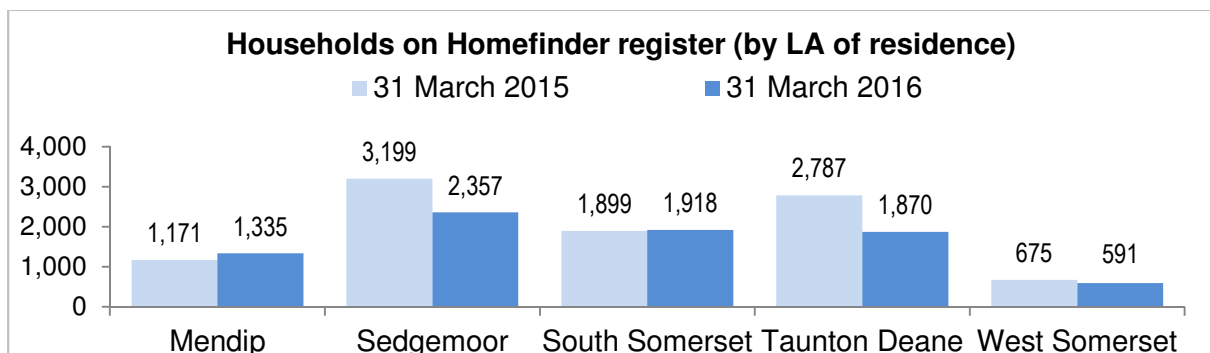
- Local authorities in Somerset received 696 homelessness applications during 2015/16. This was 10% fewer than in 2014/15.
- A total of 368 households were accepted as statutorily homeless during 2015/16 (representing 53% of all homelessness applications). This was 17% fewer acceptances than during 2014/15.



- A total of 1,424 Somerset households were prevented from becoming homeless during 2015/16 through positive action by local authorities (that is, action outside the homelessness statutory framework). This compared to 1,605 households during 2014/15.
- An additional 109 cases of homelessness ‘relief’ were recorded in 2015/16 (where an authority was unable to prevent homelessness but helped secure alternative accommodation). This was 28 more than the number during 2014/15.

3.7. Homefinder social housing register

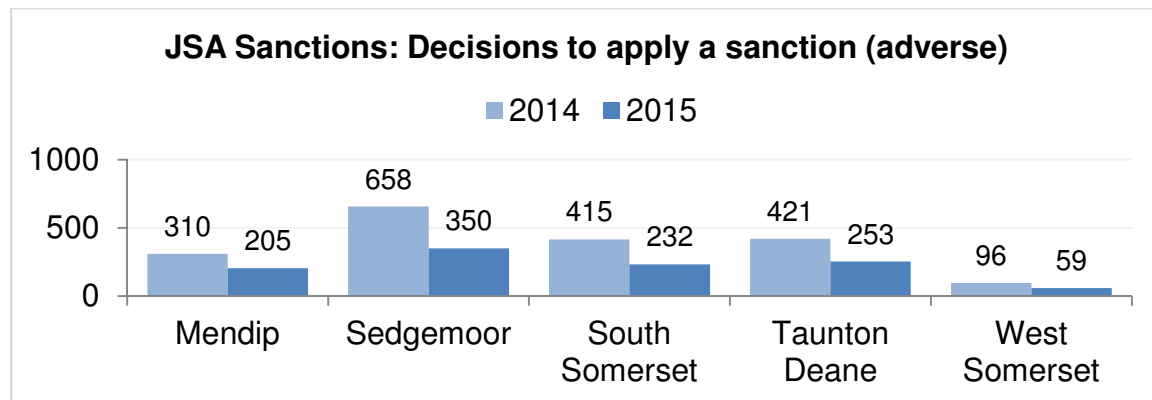
- There were 8,071 Somerset households on the Somerset Homefinder choice-based letting system as at 31 March 2016. This was around 1,700 fewer households than a year earlier. The apparent declines in Sedgemoor and Taunton Deane may have been the result of improved data maintenance rather than a sudden drop in demand for social housing.
- These topline figures can also mask variations in ‘churn’; that is, how the supply of new stock keeps pace with households joining the register. For example, South Somerset consistently deals with the highest number of new applications in the county but also has the highest number of vacancies advertised and properties let, leading to a stable trend in recent years.



Source: Homefinder Somerset

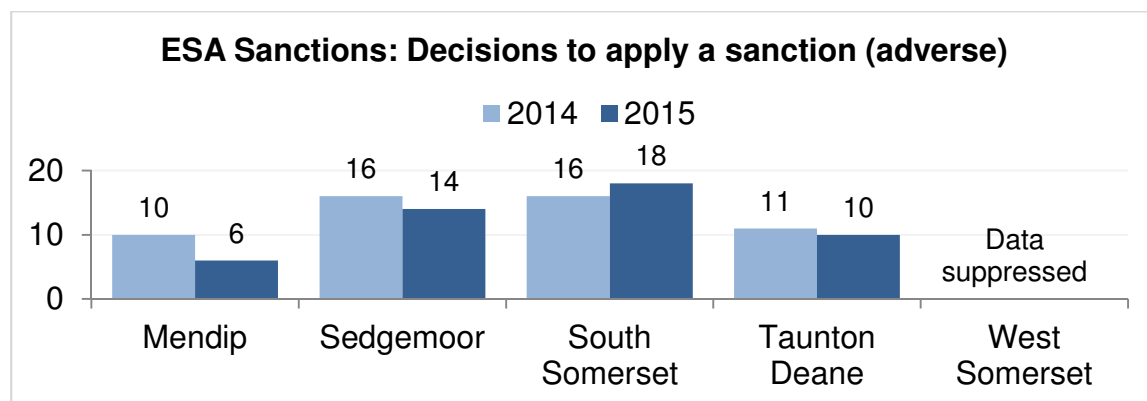
4. Jobcentre Sanctions

- Numbers of sanction decisions made against Jobseekers Allowance (JSA) claimants in Somerset fell by 44% between 2014 and 2015. Common reasons cited for benefits being temporarily stopped or reduced in this way are: not turning up for a meeting at a Jobcentre; not doing enough to look for work; or not taking part in an employment or training scheme.



Source: DWP

- By comparison, numbers of Employment and Support Allowance (ESA) sanction decisions appear to be broadly static, although absolute numbers are much lower.
- Three-quarters of individuals who had an ESA sanction applied in 2015 were disabled. Reasons cited for applying a sanction include: failure to attend a mandatory interview; and failure to participate in work related activity.



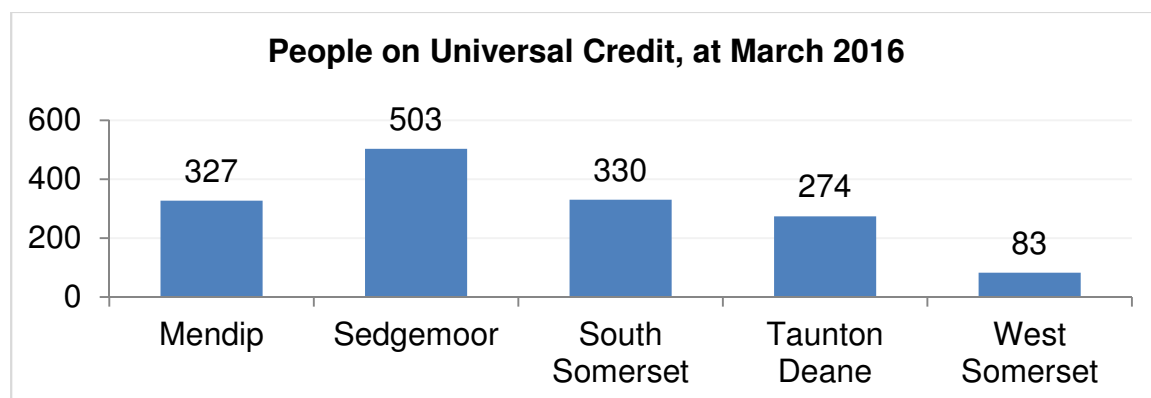
Source: DWP

5. Migration to Personal Independence Payments (PIP)

- Personal Independence Payments (PIP) began replacing Disability Living Allowance (DLA) in 2013.
- As of January 2016 there were 4,202 working-age people in Somerset in receipt of PIP. There remain approximately 13,000 DLA claimants aged 16-64 living in Somerset.
- From 2015 the Department for Work and Pensions began contacting people in receipt of DLA to invite them to make a new claim for PIP. Failure to make a claim will result in DLA being stopped.

6. Introduction of Universal Credit (UC)

- Universal Credit is replacing six working-age benefits: Housing Benefit; Child Tax Credit; Working Tax Credit; Income-based Employment and Support Allowance (ESA); Income Support; and Income-based Jobseekers Allowance (JSA).
- March 2015 saw the first claimants of Universal Credit (UC), with claims initially taken from single people who would otherwise be eligible for a new claim to income-based JSA (and with some exceptions).
- In July 2016, the DWP published results of their 'Universal Support – delivered locally' trials¹. The DWP say these will inform strategy to “*support future design and delivery as the full Universal Credit service evolves and expands*”.
- By March 2016 there were just over 1,500 people on Universal Credit in the county, with the highest number in Sedgemoor.



Source: DWP

- From May 2016, 'full' service Universal Credit is being rolled out, starting in Sedgemoor, with Mendip (July 2016), Taunton Deane and West Somerset (October 2016) and South Somerset to follow in 2017.

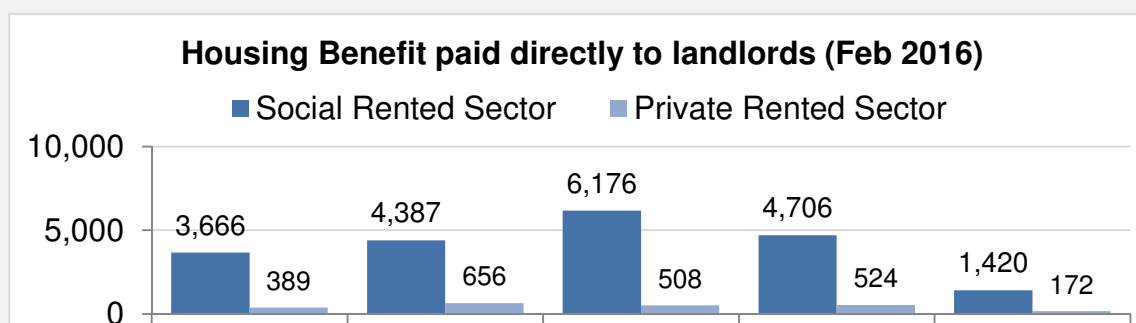
¹ <https://www.gov.uk/government/publications/evaluation-of-the-universal-support-delivered-locally-trials>

- All new claims from May 2016 will be affected initially. However if someone has a change in circumstances they will be transferred to UC.
- From mid-2018, the DWP expect to begin migrating existing benefit claimants to Universal Credit, with a view to completion in 2021.

6.1. Universal Credit: Expectations on claimants

- It's an online service and will be promoted as such. It will probably not to possible to complete the form on a smartphone.
- There is a waiting period of 7 days from submitting a claim before UC will start (with some exceptions including terminally ill or vulnerable).
- Monthly payments are made in arrears. Claimants will need good budgeting skills as payment received will include:
 - Living costs
 - Housing costs
 - Children and childcare costs
 - Additional need

Context: Around 60% of housing benefit payments are currently made directly to landlords, largely those within the social rented sector.



Context: Knightstone Housing currently report having 22 UC claimants across Somerset, of which eight have an Alternative Payment Arrangement (as a result of being unable to manage the standard UC payment).

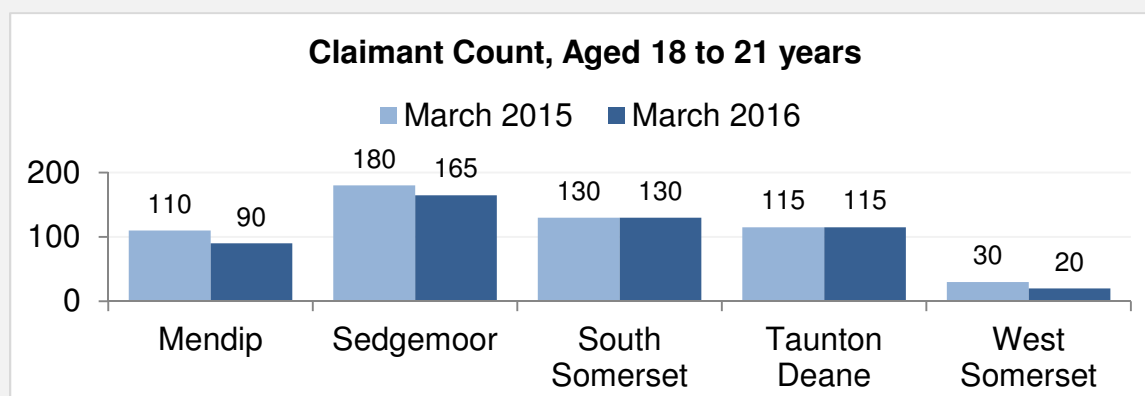
- Joint claims are made for couples, but the payment of UC will be paid to only one person. There may be possible tensions over division of money in a household and control of funds.
- Expectation that claimants will ready themselves for, search for and take up work will increase under UC.
- UC recipients will be expected to look for work earlier than under current benefits
- Working claimants will also, for the first time, be subject to conditions. They will be expected to look for more or better paid work until a certain income point is reached. Non-working partners will also be required to look for work until the couple cross the income threshold, at which point the condition is lifted

- Penalties for failing to comply with the new regime will be tougher and imposed sooner than currently. Claimants can lose their benefits for up to 3 years and sanctions can be carried forward to new claims
- A lot of work has already been done in pilot areas testing various aspects of UC rollout, and much learning has resulted on issues such as:
 - Digital Inclusion
 - Financial Inclusion
 - Staff and culture change
- UC will be a fully online service and help is available:-
 - UC Helpline from which you can request a call back
 - Text phone number
 - Some help locally face to face

6.2. Young people and Universal Credit

- From April 2017, if aged between 18 and 21, and out of work, young people will not automatically be entitled to housing support.

Context: there are currently around 500 out-of-work people aged 18 to 21 years in Somerset claiming UC or JSA.



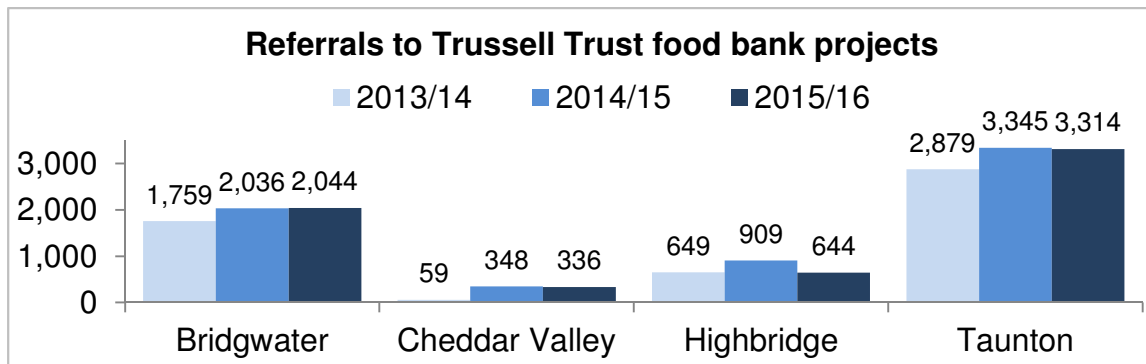
Source: NOMIS

- Note that nearly one in five 18-21 year-old claimants live in Bridgwater, more than in any other Somerset town.
- Young people will be expected to take part in a Youth Obligation (including intensive support to get skills to move into work) for the first 6 months in return for receiving benefits
- After 6 months they will be expected to apply for an apprenticeship or traineeship, or a mandatory work placement

7. Demands on Services and Organisations

7.1. Food Banks

- At least ten thousand emergency food parcels were distributed by food banks in Somerset during 2015/16 (*based on data received from eight food banks*). Food parcels typically provide three days' emergency food.
- Numbers of referrals to food banks run by the Trussell Trust in Somerset remained broadly constant in 2015/16, with a total of 6,338 referrals over the year. Just over one in three (37%) referrals related to children.
- The Trussell Trust has reported nationally that benefit delays/changes remain the biggest cause of foodbank use, accounting for 42% of all referrals, up from about a third the previous year. People have been impacted by sanctions and a mix of delays and changes to benefits, including JSA, ESA and PIP.



- The Fair Frome Food Bank distributed a total of 396 food parcels during 2015/16 and 184 parcels during its first six months of operation during 2014/15. A comparison of equivalent October-March periods indicates a 24% increase in usage. In 2015/16, children represented 40% of people helped.
- The Lord's Larder Food Bank, based in and around Yeovil, distributed a total of 2,821 parcels during 2015/16, 9% fewer than the 3,073 food parcels distributed in the previous year.
- The West Somerset Food Cupboard distributed a total of 2,064 food parcels during 2015, representing an increase of 37% on the previous year. Figures indicate that in a half of cases a child was present in the household. Children's Centres were the most common referrers.
- The Glastonbury Foodbank helped 191 adults (121 individuals) and 48 children (48 individuals). This represented a fall in demand from the previous year, attributed to the closure of Glastonbury CAB. A sharp increase in the number of children being supported has been mainly due to (new) referrals from the local Children's Centre.

7.2. Advice services

From Citizens Advice Sedgemoor (CAS):

“Having spoken to specialist caseworkers and generalist advisers, it is generally felt that there is a hugely laborious administrative process behind any welfare benefit claim, much of which comes across as a simple ‘tick box’ exercise but also one which, without the support of Citizens Advice Sedgemoor (CAS), client may fall foul of and run the risk of either not claiming the correct benefit or any benefit at all.”

Personal Independence Payments (PIP)

- Numerous clients have experienced difficulties with the claiming process and long-standard DLA award being revoked under PIP. This is especially evident in relation to PIP applications for mental health reasons, specifically the mobility component
- It has become noticeably difficult for specialist caseworkers to successfully argue the qualifying conditions for even a low rate mobility award of PIP for mental health related applications. There has been no apparent ‘stance’ taken when assessing mobility in mental health cases and it may just simply be a coincidence.

Employment Support Allowance (ESA)

- Challenging ESA decisions is proving to be hugely administrative with many clients appearing to have to just go through a lengthy process before a successful award can be made.
- Following the assessment phase, many applications are being turned down, and often nil points awarded after the medical examination has taken place. The decision is usually upheld further to a Mandatory Reconsideration (MR) being made, but once at tribunal, the percentage of these decisions that are overturned in the clients favour is worryingly low.
- In addition to the above, once the MR has been assessed, should the decision remain the same and the client not be eligible for ESA, they are encouraged to claim JSA whilst they are awaiting the tribunal hearing date, often not being able to meet the qualifying conditions for the requirements of JSA due to their illness and/or disabilities and thus being subjected to sanctions.

Universal Credit (UC)

- After only a few weeks of the UC rollout in the Sedgemoor area on 25th May there was a very noticeable increase in the number of UC issues coming through the CAS doors, with the two main issues being:-
 - the claiming process and access to digital support and services;
 - the length of time taken between initial application and first payment being made.
- During this 6 week time delay, CAS are being supported by the Local Assistance Scheme for Somerset (LASS) and provided with food parcels and other essentials where appropriate.
- CAS have increased its access to digital services from 4 hours to 12 hours per week in order to cope with the demand of computer use in order that a UC claim be made or changes of circumstances reported.
- Citizens Advice Sedgemoor have seen an almost 45% increase in welfare benefit issues from 2014/2015 to 2015/2016. Welfare benefit queries are becoming much more complex, placing further strain upon an already stretched service.

From Citizens Advice South Somerset:

- There has been a significant increase in demand for advice on welfare, benefits and tax credits.
- There has also been an increase in demand for advice in relation to housing issues and financial capability.
- Between January and April 2016, Citizen Advice South Somerset helped a total of 774 individual clients, compared to 684 in the same period in 2015, a 13% rise.

From West Somerset Advice Bureau:

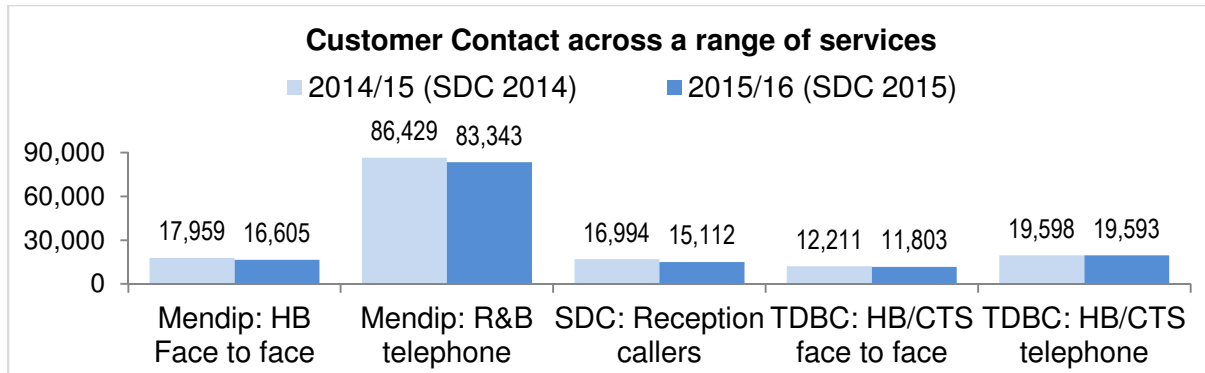
- The main impact on the centre is the increase in time that it is taking to deal with a case – this in turn has had an impact on the number of cases able to be taken - as an average appeal takes 10 hours.
- In addition to the increase in case complexity the client profile has changed, with 86% of clients needing welfare benefit casework assistance also having a mental health problem, disability or other long-term health problem. Client vulnerability adds to the workload as many are less able to utilise the self-help tools on which the general advice service is based (see also Case Studies in section 8)
- The centre has faced a reduction in staff this year with the loss of funding. As a result, no conclusions regarding the increase in work may be drawn from the annual statistics.
- General trends:
 - 30% Increase in number of food boxes issued
 - 38% increase in cases assessed in fuel poverty

(but based on small numbers and may not be statistically significant)

- The West Somerset Advice Bureau recorded 1,263 enquiries relating to benefits during 2015/16 and 1,374 enquiries during 2014/15, an 8% fall.

7.3. Revenues and Benefits Services

- Declines are being seen in overall customer contact with local authority Revenues and Benefits services, in terms of both personal visits and telephone calls. New working procedures are seen as a key driver in the reductions.



- South Somerset DC report an increase in the complexity of their Housing Benefit and Council Tax Support caseload with fewer recipients on 'passport' benefits (where people are entitled due to their entitlement to certain other benefits) and an increase in the number of in-work claims. Those with in-work claims have a higher number of changes in circumstance thus resulting in higher demand.

8. Case Studies

The following case studies, provided by West Somerset Advice Bureau, highlight personal impacts across a range of themes.

8.1. Travelling to Assessments

Case 1: PIP Assessment in Burnham on Sea

Town of residence: Minehead

Household: Single Adult in Social housing

Health: long term physical ill health and mental health diagnosis

Benefit: Personal Independence Payment

Issues: Client received a letter re- assessment interview for Christmas Eve at 9am in Burnham-on-Sea, which would require a 5.30am start, two changes and a lot of walking

Action taken:

- *Mental Health support worker requested that the appointment be rescheduled. It was: for the same time on the same day!*
- *Bureau phoned the assessment contractor to try to get the assessment rearranged. But was told it this was not possible, as it was a second request to change.*
- *On phoning the DWP helpline, the operative agreed that it was not practical for client to have to travel to Burnham at that time of day.*

Outcome: Nobody from the TA24 postcode area will be asked to travel to Burnham for an assessment, as it is too far.

Case 2: Assessment in Exeter

Town of residence: Minehead

Household: A couple with two children under 11years

Benefit: Personal Independence Payment

Issues:

- *Attending PIP assessment in Taunton or Exeter and cancellation of one interview while claimant was en route*
- *Claimant must pay taxi fare from Minehead to Exeter (£180) up front and get it reimbursed afterwards. This would require borrowing from a family member*
- *Only alternative was to phone the company every day for a Taunton office cancellation*

Outcome: Ongoing

8.2. Welfare to Work initiative: Increase in Mandatory Reconsiderations and escalation of cases to appeal

Case 3: Work Capability Assessment

Household: Single adult (supported by adult children and elderly parent)

Health issues: Client has multiple illnesses including diabetes, autism, DVT, gout, Asperger's and others

Issues:

- *Client has just heard that he will no longer receive ESA. (Client will retain his DLA). Client already receives support from his bank - who monitor transactions and his financial situation at 6 monthly sessions.*
- *Client has a "permitted work" allowance of 20 hours per week, but says he is only able to work perhaps 2-3 hours. Client seeking to undertake craft-based work as a social enterprise.*

Action taken: Mandatory Reconsideration & subsequent Appeal to Tribunal

Outcome:

- *Tribunal - ESA awarded and backdated*
- *DWP gained a placement through the employment hub and client is now gaining work experience through a scheme supporting people with disabilities to gain access to work.*

Case comment: *This case would be an example of the increase in workload on the advice centre apparently caused by a change in decision making process. This charity would support initiatives to support people into work. The subsequent action of the job centre was supportive and perhaps the obvious course of action from the outset. The experience of advisers at this advice centre would be that people with mental health issues which impact on ability to find and retain work are not given the same consideration as claimants with a physical disability.*

Case 4

Household: Parent with adult child just starting work.

Income status: currently working

Health: Arthritis present in both hips and especially badly in her left one. Both knees operated on as a child because of floating bones and now has osteoporosis in them

Issues: Approached for advice on SSP as unable to work, until after the operation on waiting list and likely to be 9 months.

Advice given: PIP application – application refused twice.

Action taken: Mandatory reconsideration & appeal

Outcome: Lower rate mobility awarded

8.3. DLA transition to PIP

Household: Single Adult

Housing status: Homeless

Income status: DLA long term recipient

Health: Hearing and sight impairment

Issues: Assessment that does not now qualify for PIP

Outcome: Mandatory reconsideration, not allowed, Tribunal appeal awarded daily living component at the enhanced rate.

8.4. Universal Credit Payment in arrears – impact on other services and bills

Household: Single Adult

Tenure: Social tenant

Issues:

- *During transition to UC client became in debt and very dependent upon assistance for food. WSAB assisted with food boxes, money from the Local Assistance Scheme for heat and light. Contacted other charities that assist individuals with payments for basics of life. The client's UC amount is £674.14 but after deductions for Social Fund, rent arrears, a short term advance and a charge for Council Tax arrears, the client is left with £190.69 a month to live on.*
- *The rent portion of the UC claim was paid direct to a social landlord, who had accepted payments are made in arrears and accordingly varied the tenancy with regard to the payment date.*
- *WSAB applied for a discretionary housing payment to clear historic rent arrears.*
- *DWP needed to be notified by the landlord that arrears are cleared to stop the deduction. However, the landlord refused to do this, saying that they would keep recovering the money so the client's rent account would be in advance and not in arrears. The DWP eventually instructed the landlord to repay the monies to the tenant as the arrears had been cleared.*
- ***The payment in arrears clearly has implications for housing associations and all private landlords, placing tenants at risk of possession action on discretionary grounds on the basis that rent is regularly paid late.***

9. Looking Ahead

Many of the negative impacts of the welfare reform programme have been reduced, thanks partly to improvements in the national economy and the work done by local organisations to help those people affected in Somerset. However, these organisations are reporting increasing demand on their workload. Even where numbers of customer contacts have decreased in the past year, cases are becoming increasingly complex, such as challenges to official assessments, helping people with financial management and those without experience of using, or access to a computer.

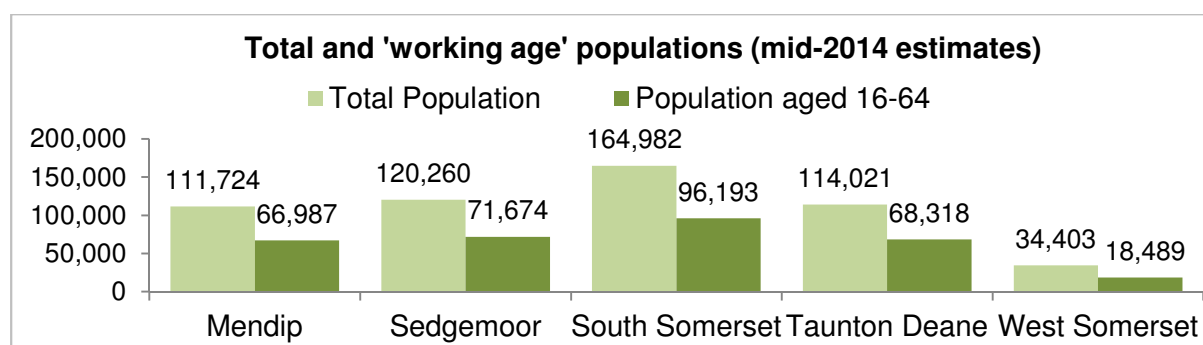
In the next few years there are changes likely to increase financial pressures on certain groups.

- From November, the maximum amount of benefit a family can claim will reduce from £500 per week to £385 per week. The total amount a single person will be able to claim will decline from £350 per week to £258 per week.
- Local Housing Allowance rates will be frozen for four years until 2020.
- Social sector tenants will only be able to claim Housing benefit up to the Local Housing Allowance rate. This threatens viability for a lot of specialist support schemes although it has been announced that alms-houses, co-operatives, CKLT schemes and refuges will be exempt.
- By October 2017 every recipient of Disability Living Allowance (DLA) will have received a letter from the DWP inviting them to make a new claim for Personal Independence Payment (PIP). If they don't make this claim, the DLA will be stopped.
- Between May 2016 and March 2017, rollout of Universal Credit (UC) for all new claimants and those with changed circumstances will require good budgeting skills and online access. Penalties for failing to comply will be stricter
- From April 2017, unemployed young people aged 18-21 will not automatically be entitled to housing support.
- The Government is also considering closing the disability benefit Attendance Allowance for new claimants, and is running a consultation on the issue. It is proposing to give English councils more responsibility for supporting older people with care needs, replacing the Attendance Allowance with a more localised system and is calling for responses by 26th September 2016.
- The financial squeeze on local authorities will potentially lead to an impact on other support services.

Appendix A – Context: Population and household estimates and projections

1. Population

- The latest population estimate for Somerset from the Office for National Statistics (ONS) is 545,390, of which 321,661 are of 'working age' (16-64)
- While the county population is estimated to be rising by more than 3,000 a year, the number of working age residents is currently falling. As a result, the proportion of the population of working age is also decreasing.
- By 2035, the proportion of the population aged 16-64 is projected to fall from 59% to 52%. In West Somerset, the proportion is projected to fall below half by 2023.



Source: ONS mid-2014 population estimates

- Mendip now has the highest proportion of residents who are working-age (60.0%), overtaking Taunton Deane (59.9%). The other district figures are: Sedgemoor 59.6%, South Somerset 58.3% and West Somerset 53.7%.

2. Households and Tenure

- At the time of the last census, there were an estimated 226,989 households in Somerset.
- Around 70% of Somerset households were owner-occupied, 14% social rented and 15% privately rented. The private rental sector is increasing.

Tenure	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
All households	46,157	48,801	69,501	46,907	15,623
Owned	32,438	34,802	48,855	31,393	10,421
Shared ownership	349	273	542	251	72
Social rented	5,473	5,951	9,697	7,321	2,288
Private rented	7,136	7,113	9,272	7,227	2,510
Living rent free	761	662	1,135	715	332

Source: Census 2011

- The latest estimate (2015) of the total number of households in Somerset is 236,000. This is projected to rise to 248,000 by 2020 and to 278,000 by 2035.