

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 17th September 2012
Report of: Director of Finance and Business Services
Subject/Title: Benefit Awareness – notice of motion
Portfolio Holder: Cllr Peter Raynes – Portfolio Holder for Finance

1.0 Report Summary

- 1.1 To consider a notice of motion submitted by Cllr L Jeuda and Cllr G Boston at the meeting of full Council held on 19th July 2012. The notice of motion stated that:

‘A recent report by the WRVS, Ageing across Europe, has found that older people in the United Kingdom have the highest rates of loneliness and isolation than in Germany, the Netherlands and Sweden. Many older people are living in poverty and this affects their life expectancy and risk of social isolation. Given that £2.8million in Pension Credit goes unclaimed every year in the UK, whilst 1.8 million older people are living in poverty demands urgent action.

Motion

“This Council undertakes to conduct a campaign aimed at older people making them aware of benefits they are entitled to.

At the same time Cheshire East to provide additional funding to those organisations currently struggling to meet the demand for Benefits advice.” ‘

2.0 Decision Requested

- 2.1 The Cabinet are asked to consider the Notice of Motion.

3.0 Reasons for Recommendations

- 3.1 To determine a response to the Notice of Motion in line with the Council’s constitution.

4.0 Wards Affected

- 4.1 All Wards are affected.

5.0 Local Ward Members

5.1 None specifically – all wards affected

6.0 Policy Implications

6.1 Cheshire East Council has a duty to promote the take up of Benefit, which is being met. This is outlined in Section 10 of this report.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

7.1 There are no immediate direct financial implications arising from this report. However, depending on the adoption of the recommendations arising from Section 10 of this report may result in the Council incurring additional costs.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 There are no legal implications in respect of this report.

9.0 Risk Management

9.1 Take up and support is already being provided directly by the Council and indirectly via funding to other organisations.

10.0 Background and Options

10.1 The Department for Work and Pensions (DWP) released estimates on the take up of Income related benefits on 23rd February 2012. The table below shows the figures for Pension Credit and in addition Housing Benefit and Council Tax Benefit (which can also be claimed by those of working age).

Table 1 Take up of Income Related Benefits (published February 2012)

	Pension Credit	Housing Benefit	Council Tax Benefit
Take up in 2009/10 – by caseload	62-68%	78-84%	62-69%
Take up in 2009/10 – by expenditure	73-80%	84-90%	64-71%
Claimants in 2009-10	2.6m	4.07m	5.19m
Expenditure in 2009-10	£7.64bn	£16.6bn	£4.23bn
Estimated number not claiming	1.21-1.58m	0.75-1.14m	2.34-3.20m
Amount unclaimed	£1.94-£2.80bn	£1.85-£3.10bn	£1.7-£2.42bn

10.2 The Pension Service is responsible for the administration and promotion of Pension Credit.

10.3 They have been unable to provide any information on planned forthcoming take-up initiatives promoting Pension Credit within the Cheshire East borough.

- 10.4 A White Paper is due later this year with details on proposals to replace the current state pension with the various additional entitlements, with a simple flat-rate state pension for new pensioners. This will be set above the level of the means test, currently estimated around £140 per week.

Current arrangements within Cheshire East Council

- 10.5 Currently both the Client Finance Team within Adults Services and the Benefits Team within Finance have staff who undertake proactive work promoting the take up of Pension Credit and other benefits and financial assistance to ensure customers have access to their full welfare benefit entitlement. This is not just targeted to Pension Age but Working Age also. Both Teams have officers who visit those who are elderly or housebound to provide support in their own home.
- 10.6 Adults' Client Finance Service currently offers Appointeeship and Deputyship to customers who do not have capacity to manage their own finances and at the same time welfare benefit checks are completed to ensure these customers receive the correct level of welfare benefits.
- 10.7 Advisors in Customer Services also signpost and offer assistance to customers who do not appear to be claiming their full entitlement and Library Staff also offer sign posting.
- 10.8 'Hot Spots' is a scheme involving Cheshire East Council Benefits and Private Sector Housing teams, the Fire Service and the Energy Savings Trust. The aim of the scheme is to tackle fuel poverty, to maximise income and improve health and well-being. The Hotspots card is offered to residents of Cheshire East giving them the opportunity to request assistance from any of the services. Any cards returned to the Benefits Section prompt an initial phone call to discuss benefit maximisation and if necessary a home visit to discuss the matter in depth. The cards are currently being distributed at a local project on The Moss estate in Macclesfield.
- 10.9 A new Welfare Rights Group for Cheshire East has been established, in May 2012. This involves various agencies and organisations working closely together and looks at opportunities for promoting benefits advice.

Current financial support

- 10.10 The Council does currently provide funding to many community and voluntary organisations, although substantial financial pressures are requiring all areas of funding to be reviewed and where possible reduced. The pressure to balance the 2012/13 budget may result in further reductions in the grant funding available to voluntary bodies during the remainder of the year and potentially into later years, subject to the budget setting processes. The new Health and Wellbeing duties will provide the Council with the responsibility and potentially additional funding to establish a new Healthwatch organisation, which will have

some limited general responsibilities to promote the take up of benefits within the locality.

Impact of Welfare Reform changes and pensioners

- 10.11 As part of the coalition Government's welfare reform, many changes are being introduced across the welfare benefits system. Those of Pension Credit age will be exempt from the majority of the changes such as:
- Benefits Cap
 - Introduction of Universal Credit
 - Introduction of Personal Independence Payment
 - Under-occupancy by Housing Association tenants
- 10.12 Much of the current work being undertaken by Officers is around advice and support for those residents of Cheshire East who will be affected by the changes referred to in 10.11.

New opportunities and options

- 10.13 Any options to be considered must be affordable and able to be met from the existing council budget.
- 10.14 Currently, Client Finance Team is focussed on the stabilisation of processes, including the systems and processes supporting the Empower Card, and the collection and prevention of overdue and outstanding debt whilst the Benefits Team continues to focus on an increasing number of individuals claiming benefit and preparing for the impact of welfare reform. There is no available capacity to undertake any additional take up work aimed specifically at Pensioners. Whilst undertaking the responsibilities of Client Finance and Benefits any face to face opportunities with residents of Cheshire East will be utilised to maximise benefit take up. A further option could be to explore funding additional resource but this would require increased funding for a post (grade 6).
- 10.15 Over time it could be possible to divert some existing grant funding mentioned in paragraph 10.10 into priorities that focus on the welfare benefit take up of the over 65 population. This would require definitive action as part of the Council's budget and policy setting process. In the short term the Council's focus is on reducing spending levels to within existing budgets, leaving little opportunity to flex funding during the remainder of the financial year.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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