

Better Advice, Better Lives



Monmouthshire County Citizens Advice

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**Adults Select Committee 21st June
Usk**

Introduction

As you are no doubt aware, in 2012, the Government announced plans within Welfare Reform to change the way in which Housing Benefit and Council Tax Benefit were calculated. Starting in April 2013, Housing Benefit would be reduced if you under occupied your home, and every person in the UK would be expected to make a contribution to Council Tax regardless of their benefit entitlement.

The Under Occupancy rules (quickly renamed the “Bedroom Tax”) would mean that a claimant in social housing would lose 14% of their Housing Benefit if they were deemed to have one spare bedroom, and 25% if they were deemed to have two or more spare rooms.

For Council Tax Benefit (soon renamed “Council Tax Reduction”), the shortfall would be approximately 10% for people over the state pension age, and 20% for everyone else¹.

For benefit claimants, this was a horrendous blow to their finances.

The Project

To counter this, the Welsh Assembly Government financed a project through the existing Better Advice, Better Health (BABH) program run by Citizens Advice.

The Housing Benefit and Council Tax Reduction Project would be delivered through Better Advice, Better Lives (BABL), with the simple aim of encouraging and increasing access to Housing Benefit and Council Tax Reduction throughout Monmouthshire.

With funding of £38,000 per annum, a single project worker was required to cover the whole of Monmouthshire, and help clients with their benefit needs, establishing their entitlements, and assisting them with any benefit issue they may have, such as applications or dispute resolution. I was appointed to the position in June 2012.

It quickly became apparent that due to the cross over between so many welfare benefits, that the project had to widen its scope to cover not just Housing Benefit and Council Tax Reduction, but all other non health related benefits. This eased the pressure on the claimant, and gave colleagues in BABH more opportunity to deal with specific health benefit issues. In addition,

¹ In regard to the proposed cuts in Council Tax Reduction, the Welsh Assembly stepped in at the eleventh hour and supplements the shortfalls for residents in Wales, easing the financial burden on clients to come up with the 10-20% proposed shortfalls. While it has continued to do so since 2013, there is no guarantee year on year that this will still happen.

the project is perfectly placed to help clients deal with other issues which arise from finances, such as Debt Management.

The project established itself firmly within Monmouthshire, and has gone from strength to strength for the four years it has currently run. We now cover all non health related benefits, including Housing Benefit and Council Tax Reduction, and assists clients with Discretionary Payments.

Day to day we assist clients by establishing their benefit entitlement, checking existing benefit entitlements, resolving disputes in regard to over or under payments of benefit, or delays in payment; notifying of changes in circumstances, helping clients appeal decisions that have gone against them. Having the full weight of Monmouthshire County Citizens Advice behind it, we can also establish if a client has additional problems, such as debt or money management issues, and can assist in these matters as well.

Since the project was set up in 2012, I have seen over 800 new clients, and helped maximize their income by over 1.5 million pounds.

The Future

In 2015, the Welsh Assembly Government commissioned a report by ARAD² on the BABH project as a whole, to establish if such projects were worth the financial investment. The conclusion of this report was that BABH and its various strands, including this project (BABL) were indeed the best value in terms of service delivery, level of support, and accessibility, and that the project should continue to be funded for 2016-2017, and conceivably beyond.

We expect continued changes in the way the benefits system will be altered over the coming years, especially in relation to Universal Credit³, and are preparing for them continually. We will continue to the best of our ability to help our clients overcome the problems they face and minimize the financial hardships they endure.

We are given to understand that Monmouthshire Council currently has a similar project, employing two project workers to deliver Housing Benefit and Council Tax Reduction advice, with an initial funding cost of £100,000pa and a footfall of 100 clients⁴. Bearing in mind that our own project (with just £38,000pa funding and a target footfall of 200 clients) offers not just the same service, but can offer other services such as additional benefit advice, debt management, money management etc, one wonders at the possibility of

² <http://gov.wales/statistics-and-research/evaluation-better-advice-better-lives-benefit-take-up-scheme/?lang=en>

³ The idea behind Universal Credit was to streamline six existing benefits (including Housing Benefit) into one single payment made directly to the claimant, which would be issued per calendar month as opposed to fortnightly. However, so far the system is not working well, and we are starting to see an increase in clients whose benefits are delayed or underpaid, or clients who simply do not have the budgeting skills to cope over the longer period of time and require budgeting advances.

⁴ We were informed of this at a meeting in Usk in approx March 2013, where a presentation was given by Monmouthshire Council representatives prior to the merger of Monmouthshire County Citizens Advice.

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amalgamating the projects in some way, maximizing their potential to support the residents of Monmouthshire.

It is certainly an option worth exploring.

End of Report

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