



Benefit backdating

Briefing, March 2008

Background to the Scottish CAB service

Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 71 CAB offices. These bureaux deliver frontline advice services at nearly 200 service points throughout the country, from the city centres of Glasgow and Edinburgh to the Highlands, Islands and rural Borders communities.

In 2006/07, 135,975 issues relating to social security benefits and tax credits were brought to the Scottish CAB service. These account for nearly a third of all issues (30.6%) brought to Scottish bureaux and mean that, social security was the largest overall area of enquiry for CAB clients. Of these issues, 11% related to housing benefit, 10% to council tax benefit and 5% to pension credit.

Case evidence

The client evidence used in this briefing was gathered through the service's social policy feedback mechanism. Bureaux throughout Scotland highlight the problems in their area by sending in specific case examples that are indicative of wider issues. This information is collated and analysed by CAS in conjunction with social policy statistics from each bureau.

Please note that the cases included in this briefing were raised by clients with the understanding that the service provided would be confidential and that they could remain anonymous - CAS is therefore unable to supply any additional client details in relation to these cases. This briefing is intended to highlight issues and trends that bureaux are reporting in relation to benefit backdating. It is not our intention that this information should be used to identify or resolve these specific cases.

Reduction in benefit backdating

Towards the end of last year, the UK Government announced that, from October 2008, the maximum period of backdating for pension credit, housing benefit and council tax benefit will be reduced from 12 to three months. Citizens Advice Scotland is very concerned about the potential effect that this will have on CAB clients.

In particular, we are concerned about the change in relation to housing benefit, where a reduction in the backdating period could lead to an increase in evictions and homelessness. The complexity of the housing benefit system means that many clients are unaware of their proper entitlement and their right of appeal and it is only after unsuccessfully trying to resolve matters themselves - often for lengthy periods of time - that they come to the bureau for assistance. A reduction in the period of

backdating would leave many of these already poor and often vulnerable clients in debt and at risk of homelessness.

The following cases demonstrate the critical role that a 12 month backdating period plays in bringing about positive outcomes for CAB clients, in terms of preventing ongoing financial hardship, reducing rent arrears and halting eviction proceedings.

A West of Scotland CAB reports of a client who had been in receipt of DLA low rate mobility. She had then had a stroke, which had affected her right side and meant that she was unable to cook a main meal and needed help to get washed and to use the stairs. A nurse had referred her to the bureau for assistance in applying to upgrade her DLA. The CAB conducted a home visit and helped with her DLA application. They also conducted a benefit check which established that she was entitled to full housing benefit. The client's housing benefit claim was backdated for 52 weeks, giving her a payment of £3,500.

A West of Scotland CAB reports of a client aged 65 with a heart condition. The client came to the bureau as he was worried about how he would pay his rent and council tax when he was in receipt of statutory sick pay. The CAB did a benefits check and established that the client's current income was less than his applicable amount, and he was therefore entitled to the guarantee credit element of pension credit. This in turn entitled him to full housing benefit and council tax benefit. The relevant information was passed to the local authority housing office, who agreed that the client's rent and council tax would be refunded for a full year. The client received a cheque for £2,093.

A North of Scotland CAB reports of an elderly client with chronic ill health who came to the bureau for debt advice. She had been awarded attendance allowance some months previously, but was extremely worried about her increasing debt problems. A referral was made to the CAB's welfare rights adviser for a full benefits check to maximise her income. This established that she was entitled to pension credit, housing benefit and council tax benefit. With help from the bureau, all three benefits were backdated for 12 months. This resulted in a payment of nearly £6,000, which the client used to resolve her debt problems.

An East of Scotland CAB reports of a client who is a working lone parent, who cares for her 19 year old daughter who receives DLA (care and mobility). The client had accrued rent arrears, which were increasing, but had not claimed housing benefit for some time. A previous housing benefit application had been made defective due to the client's supplying the wrong payslip, and Clyde & Fyfe Benefit Delivery Centre getting her NI number wrong on some correspondence. The client's mother was also severely ill in hospital at this time, which had made it hard for the client to submit a new housing benefit application. The CAB helped her to claim backdated housing benefit for £1508.64 (backdated period not specific, but longer than three months) and, as a result, the client no longer has rent arrears.

An East of Scotland CAB reports of an elderly client who had applied for housing benefit. The claim was incomplete and lapsed after one month. The CAB assisted the client to appeal to the local authority who agreed

to backdate the claim 34 weeks. The total housing benefit refunded to the client amounted to £1,589.

CAS is particularly concerned about the impact that the proposed changes will have on vulnerable clients, such as people with mental health problems, people who are ill or disabled and people who do not speak English as a first language. The following cases illustrate how a reduction in the 12 month backdating period could have a particularly deleterious effect on these already vulnerable groups, as their circumstances can mean that their problems take longer than three months to identify and resolve. Such vulnerable people will be particularly at risk if faced with rent arrears they are unable to pay and threatened evictions.

A West of Scotland CAB reports of a client who contacted the CAB office at the Sheriff Court for help in defending eviction proceedings, for rent arrears of approximately £1,000. He had separated from his wife some years before and developed severe mental health problems. He was not in receipt of any benefits and living on hand-outs, help from neighbours, a credit card and an overdraft facility. The CAB represented him in court and the case was continued for several weeks to allow the client time to complete claims for Income Support and Housing Benefit. Bureau advisers made repeated efforts to assist him with his claims, but his health problems made it very difficult to establish a regular pattern of contact and court proceedings had to be postponed on several occasions. A few months later, the proceedings were dismissed for procedural reasons. However, his rent arrears continued to accrue to over £2,000 and the local authority raised a new court order allowing them to carry out an eviction. The client was eventually awarded full housing benefit backdated 52 weeks, resulting in a payment of approximately £1,900 to the client's rent account. The eviction was halted and arrangements were put in place to recover the remaining balance by direct deductions from the client's ongoing Income Support payments.

An East of Scotland CAB reports of a client who had been off work with stress and depression for some months. She had originally been in receipt of statutory sick pay, but was now receiving incapacity benefit and income support. She had not realised that she was entitled to full housing benefit and had accrued rent arrears of nearly £1,000. As a result, her landlord was starting eviction proceedings. The bureau helped the client request an eight month backdating of her housing benefit. Without this money the client would struggle to pay off her rent arrears and halt the eviction.

A North of Scotland CAB reports of a client who had been diagnosed with ovarian cancer. She had been in receipt of statutory sick pay but was not aware that she also qualified for some housing benefit and council tax benefit. The CAB requested supporting medical evidence from the client's GP, and then applied for housing benefit and council tax benefit backdated for seven months. The CAB notes that, had the new rules been in place, this vulnerable client would have missed out on approximately four months worth of benefit.

A West of Scotland CAB reports of a lone parent client with three children, who suffers from depression. The bureau has recently helped the client to get council tax benefit backdated for 52 weeks.

A North of Scotland CAB reports of an elderly couple who had been referred to the bureau for benefit advice. The husband was in receipt of attendance allowance – he was in very poor health and heavily reliant on his wife for all of his needs. His wife, however, was struggling with mental ill health and not coping with either day-to-day tasks or looking after their basic needs. The CAB made several home visits and submitted an attendance allowance claim for the wife, as well as a claim for carers allowance, giving them an underlying entitlement to carers premium. The wife's attendance allowance claim was at first unsuccessful, but won at appeal nearly a year later. This resulted in payments of pension credit, housing benefit and council tax benefit backdated for 11 months. In total, the couple received over £12,000 which allowed them to buy some specialist aides for the husband.

An East of Scotland CAB reports of a client who has severe asthma, and suffers from depression and anxiety. She also has drug problems that have required her to go into rehab. As a result, the client struggles to handle her affairs. An initial claim for housing benefit was made defective due to the client's failure to supply the required information. Consequently, she had accumulated arrears that placed her in danger of losing her house. With assistance from the bureau, she successfully claimed backdated housing benefit of £733 for a four month period.

An East of Scotland CAB reports of a Polish client whose wife left him in October 2007. She suffered from alcohol problems, and it transpired that she had not been paying the rent money to their housing association and had been concealing mail. As a result, the client is severely in debt to the housing association and is facing a decree for eviction. The client has two young children to care for, aged five and 10. His English is poor and he was unaware of his benefit entitlements. The CAB has helped him to apply for housing benefit backdated 52 weeks. If successful, this will have a significant positive impact on the client's situation.

An East of Scotland CAB reports of a client with severe mental impairment whose housing benefit had stopped due to a problem with his income support payments. The CAB assisted him in claiming housing benefit backdated over 18 weeks, totalling £453.

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