



ANNUAL REPORT

December 2017

**Southampton Advice & Representation Centre Ltd
11 Porchester Road
Woolston
Southampton
SO19 2JB**

**Phone: 023 8043 1435
Fax: 023 8044 7031
Email: admin@sarc.org.uk
www.sarc.org.uk**



Registered Charity No: 1112999
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CHAIR'S INTRODUCTION

SARC which has operated in the Southampton area since 1981 is the only organisation locally which offers representation to clients on welfare and employment issues as a core activity. We are the biggest provider of representation within the city and we believe the biggest such service outside of London in the south of England.

Our expertise is widely recognised and many other advice organisations refer many people on to us for advice and assistance with appeals. Our services are regularly reviewed and evaluated by funders to ensure they are getting value for money, by professional auditors to ensure we meet exacting standards for the provision of legal services, by our Board to ensure we are innovative and cost effective but most importantly of all by those who use our services and rely on us to give them a voice - we are extremely proud of the positive feedback we receive from our clients' year after year. We have always received very positive results when externally audited for the Advice Quality Standard for casework and look forward to our next assessment in March 2018.

We continue to face the challenges of the radical change to the welfare and benefits system, the introduction of new benefits and a much tougher regime on Employment and Support Allowance for example, has created uncertainty and increased demand. The local full introduction of Universal Credit is a massive change and will undoubtedly increase demand for our specialist services. As in previous years we have given out record number of basic bank food bank vouchers.

Despite these pressures 2017 has again been an exemplary year for SARC we have helped record numbers of clients achieving a return of £800,000 for local people, that's more than £4 for each £1 our funders provide. We have again been successful in obtaining a three-year grant from the Henry Smith Charity to allow a roving Welfare Benefit adviser role to continue to operate across several advice organisations with the management and professional support for the role provided by SARC.

We have publicised the shortcomings of local PIP assessments winning nearly 90% of appeals and our efforts have made the DWP and ATOS talk to us about making the local operation of assessments fairer. As an expert voice on welfare benefits SARC has been asked to give evidence on two occasions to the Welfare and Pensions Committee of the House of Commons and this has attracted national press coverage.

It has become a common place for the Chair's report to say that SARC has never been more needed or more valued, this is however truer than ever, so it is with regret that we must report that through much of 2017 there has been a serious question mark over SARC's survival.

Following a move to new contracting arrangements by the City Council and the award of a contract to some local advice organisations the specialist services which only SARC can and does provide have been placed in some jeopardy, although we do not believe this was the intention of the City Council. At the time of producing this report we remain hopeful that given the value our city places on our services that options to allow SARC to continue to help local people will be forthcoming.

SARC has played a leading role in, and invested considerable time and effort, in establishing Advice Southampton (AS) as a partnership of equals to give a real voice to all local advice organisations. We continue to remain a member of AS, which will have a sustainable future and develop as a serious force if it develops as a mature organisation in line with the principles on which it was established.

I would like, on behalf of the SARC Board, to extend our thanks and appreciation to all staff and volunteers for their exceptional professionalism, hard work and commitment to our clients and the unique ethos of SARC. It is fully appreciated that this has been a stressful year for them all and their contributions have, if anything, been even more impressive because they have had to work with an element of uncertainty about the future.

We can give staff and our clients the assurance that SARC, which is widely respected and valued as the best local advice organisation, will do everything in its power to secure our future and we are confident that our presence in the city will continue for many years to come.

John Brear

Chair SARC

A SUCCESSFUL AND CHALLENGING YEAR

2017 has been a very successful year for SARC in which we have been able to help record numbers of local people through our unique service as the only local organisation which offers advice and representation to clients on welfare and employment issues as a core activity.

However it has also been a challenging year on two fronts firstly in relation to the increasing workload carried by our hardworking and dedicated staff and volunteers and secondly in relation to our available resources.

INCREASING DEMAND

SARC continues to face the challenges of the radical change to the welfare and benefits system and the introduction of new benefits. A much tougher regime on Employment and Support Allowance, for example, has created uncertainty and increased demand. We have represented clients in towards 200 tribunal and mandatory reconsideration proceedings with great success. We are the biggest provider of representation within the city and we believe the biggest such service outside of London in the south of England. The local full introduction of Universal Credit came in force in February 2017. This has been a massive change and increased demand for our service. Taking these changes together with the continuing economic position, we would expect that demand for our services will increase dramatically during the next few years. We continue to give out record number of basic bank food bank vouchers. Some of our clients are simply desperate and we have had to send staff on Suicide Awareness training.

Employment Tribunal fees were introduced in July 2013 and nationally the number of claims have fallen by 80%. This is affecting our clients and their ability to contest disputes with their employers. An unfair dismissal claim did cost £1200 to pursue to a full hearing. It also cost £390 to try and obtain wages, redundancy or holiday pay. Sadly those clients, who could not get the fees exempted or at least partially exempted, were often denied access to the system to enforce their rights. In July the Supreme Court ruled that these fees were illegal. We have already seen a large jump in the number of cases we are able to now take to the tribunal. Including those historical cases that were unable to submit claims due to the fees regime. Nationally Employment Tribunal claims have grown by over 100 percent since the landmark and historical ruling.

PRESSURE ON RESOURCES

SARC continues to face considerable pressure in matching our resources to the increasing level of demand for our services and indeed the unmet need which we know exists within our City.

SARC is a charity which relies on, and is grateful for, the support it receives from the City Council, trade unions, businesses and other charitable and community organisations. We recognise that these organisations are not immune from financial pressures in the wider economy but we hope we can continue to make the case that what we do is effective and makes a real contribution to a better society by helping those who are in most need of support.

- Derrick Murray Treasurer
- Christopher Hammond
- Alison Golden
- David Goodall
- Sandra Reeve
- Robert Stokes

Staff

- Gary Edwards Manager
- Suman Hothi Administrator
- Diane England (left 2017) Advisor
- Pat Moores Reception
- Sheila Smith (left 2017) Reception
- Emma Stodart Advisor
- Dave Thompson Advisor
- Joel Nicholson Deputy Manager
- Adrian Cooper Advice Southampton outreach Advisor
- Lyn Berry Volunteer
- Mary Siddall Volunteer
- Amanda Savage Volunteer
- Mustapha Nabil (left 2017) Volunteer
-

Website designed and maintained By Eamonn Callan

Main Funders

- Southampton City Council
- Unite
- Unison
- GMB
- Big Lottery via SASA Partnership
- SO18 Big Local
- Client donations
- Southampton Quakers
- Henry Smith Charity

What does SARC do?

SARC is a registered charity which has since 1981 provided advice, support, and representation in the fields of welfare benefits and employment law to a wide range of clients across the City.

We are the only organisation in the City which offers representation as a core activity which means that we are uniquely placed, where necessary, to follow through the process of supporting clients from advice to a clear outcome. This is based on our ability to articulate the interests of clients through the complex arrangements which exist to determine entitlement to benefits or the interpretation of employment law at employment tribunals and beyond. On the basis of our employment tribunal work alone, we are the biggest representing organisation in the South of England outside of London.

Some examples of areas where we currently offer advice are:-

Welfare Benefits Advice

- Disability Living Allowance
- Attendance Allowance
- Careers Allowance
- Employment and Support Allowance
- Income Support
- Pension Credit
- Tax Credits
- Housing Benefit
- Council Tax Benefit
- Jobseekers Allowance
- Universal Credit
- Personal Independence Payments

Employment Law Advice

- Unfair Dismissal
- Sex Discrimination
- Race Discrimination
- Religion and Belief
- Age Discrimination
- Sexual Orientation Discrimination
- Part Time Working Discrimination
- Pregnancy Discrimination
- Disability Discrimination
- Unpaid Wages
- Redundancy
- Minimum Wage
- Holiday entitlement

Where we operate

Our main office in Woolston (023 8043 1435) runs an appointment service presently five days a week, Monday to Friday. We also run a service at the following locations. Please contact us for full details as you may need to make an appointment and visit www.sarc.org.uk for more details.

- LORDSHILL – Public Library
- THORNHILL – Community Library Hinkler Road
- TOWNHILL PARK –Community Centre

Unfortunately we are unable to undertake home visits.

SARC has a very high percentage of our resources invested at the front line in a small team of high skilled advisers who specialise solely in welfare and employment advice and representation. We are clearly focussed on providing the kind of specialist support which only we can offer to clients and are thus not subject to “mission drift”.

Over a considerable period of time we have developed an organisation which has a set of skills which we believe cannot be replicated elsewhere, or easily reassembled from scratch as both knowledge and experience in our specialisms are difficult to find and take time to acquire.

Our staff have the formal knowledge of the complexities of benefits and employment law, regulations, and precedents (a body of knowledge which is not static and which they constantly update and develop), combined with a depth of practical experience of working with the legal and benefits agencies and of representing clients in formal and informal settings.

We believe that we offer an excellent standard of service in a totally cost effective way. Our service standards are subject to audit by the Advice Quality Standard where we score highly having achieved the Industry Quality Mark, our performance is regularly reviewed by our Board, and we work to service outcomes agreed with the City Council and most importantly of all we consistently receive via feedback the highest possible level of satisfaction from clients.

CASE STUDY-BENEFITS

Former Disability Living Allowance recipient with serious mental health challenges. And also Physical health issues. Denied Personal Independence Payment upon transfer. We appealed and Enhanced Daily Living and Enhanced Mobility awarded. This had a very positive outcome on their health and well-being.

How Does SARC Fit with other Advice Agencies?

We have excellent working relationships with other advice agencies in the City and because we have such a clear mission statement we are able to quickly identify and refer clients who

have particular advice needs outside our core specialisms, for example debt advice and counselling, to other appropriate agencies.

We are proud founder members of Southampton Advice Services Alliance who had been successful in attracting over £360,000 over two years. This has enabled us to employ an extra worker to provide extra advice capacity within the partnership.

This works equally well with other agencies who have a clear understanding of our specialist skills and refer clients to us where we are the right organisation to advise/represent on welfare and/or employment issues.

On balance we feel that the advice support we have in the City is all the better for this since we have achieved a developed and mature advice network. Which is actually based on a real appreciation of the needs of the local community driven from the bottom up and, certainly in our experience, validated by feedback from our clients.

We occupy a discrete and clearly defined area of specialist advice provision. No other organisation does what we do or, indeed, seeks to do so; nor in our view is there an as yet untapped alternative source which can do what we do on the basis we do it. Putting it plainly if we did not exist we would have to be reinvented.

CASE STUDY-BENEFITS

Jobseeker claiming benefit wrongly advised to claim Universal Credit when they had sufficient contributions for JSA. Compensatory payment being pursued.

Does Southampton Need SARC?

We would hope that the answer is yes. Certainly we can defend the value of what we do in terms of client satisfaction and cost effectiveness, we have received support from the City Council under various administrations and the value of our work has been acknowledged.

We believe that the economic realities of Southampton and the implications of these for Southampton citizens mean that we are addressing real and pressing needs in the local population.

Some of the basic social, economic and demographic circumstances of Southampton include:-

- A population growth rate over the past ten years of twice the national rate
- The rich cultural and ethnic composition of the local population
- The existence of pockets of multiple deprivations where residents suffer from poor health, low qualifications, unemployment and higher crime rates.

- Southampton ranked 91st out of 354 local authorities within the most recent National Index of Deprivation. The City's most deprived wards are Woolston (Weston), Bevois (Northam), Bitterne (Thornhill), Millbrook, and Redbridge.
- Southampton is ranked second only to Brighton on the low income scale in the South East. Out of the City's 16 wards, five are amongst the worst 10% in the region for employment, six for health deprivation and disability eight for education, training and skills and ten for housing.
- Average salaries in Southampton are below the regional and county averages and the City has a high rate of residents who are economically inactive with almost one in eight residents of working age having no qualifications.

To build on this picture we could cite a wealth of research and strategy documents produced by the City Council and its partners and the local health service. However we will confirm ourselves to referring to a few examples.

The *Joint Strategic Needs Assessment (JSNA) Consultation Refresh* produced jointly by the City Council and Southampton City PCT identifies the impact of poverty, low income and poor environment on physical and mental health.

- Latest figures indicate that 12.6 % of the working age population were claiming out of work benefits compared to 9.5% across the South East Region.
- The economic recession has had a marked impact on Southampton and its residents. The City as a whole now has just over 12% of its working age population claiming out of work benefits. There are 13 Lower Super Output Areas where this rises to above 25% of the adult population and the worst affected area has a benefit claimant level of nearly 40%.
- Within Southampton the proportion of the workforce employed by the public sector is higher than the national average. As the cuts in public sector expenditure are implemented the rate of unemployment may rise and the incidents of mental health associated with unemployment may rise.
- Many Southampton families live on a low income of only about £10 per day per person.
- The most recent data (for 2011) indicates that there were 12,750 children living in poverty in Southampton which is approximately 27.5% of the total number of children. This rate is significantly higher than the national average of 21.8% and also higher than many of the City's local authority peers. In Bargate and Bevois wards over 40% of children are estimated to be living in poverty.
- Using Hampshire County Council forecasts it is expected that the 40-64 age group within the City will increase by 1.6% by 2016, there will be an overall increase in the 65+ age group of 16.8% by 2016.

- The number of dwellings in Bargate and Bevois wards will increase by 3700 over the 2009-16 period with a 7.9% increase in the North and Central locality over the same period.
- The City has identified eleven priority neighbourhoods based on markers of deprivation where 50% of our population live. Life expectancy for males have been significantly lower in the priority areas than in the remainder of the City for the past few years. Life expectancy in 2006-8 for males in priority areas was 76.1 years and 79.6 elsewhere in Southampton a difference of 3.5 years.

The City of Southampton Strategy makes an important commitment to promoting social equity and justice and to work with communities to alleviate poverty and to address those health issues which are caused by environmental and economic factors, particularly for those experiencing poverty.

We cite these examples because they effectively illustrate the fact that Southampton, although a major city in an affluent part of the UK, has some serious social problems related to poverty and deprivation and a population structure that has specific and developing needs. These are problems that SARC helps address and which need our help to be met.

SARC Outcomes

We can demonstrate that the work we do makes a significant and valued contribution to addressing the inequalities identified above; indeed it is our central purpose. There is for example an extremely close correlation between the eleven Southampton priority neighbourhoods based on markers of deprivation where 50% of the City's population live and the areas from which our clients come. This is perhaps not surprising but figures suggest that we are working with the grain of City priorities with the people we are helping.

SARC is not the whole solution to the problems caused by poverty and inequality within our City, but we are an important part of any solution.

We are able to provide support for those who have no other voice and relatively little power in society and act to secure the legal and welfare benefits to which they are entitled. Our resources place some practical limits on the number of people we are able to help but this is an issue of capacity not capability.

In relation to our welfare benefits caseload most people we represent find the complexity of the regulations and the welfare system daunting. In employment matters we will not represent clients who are members of trade unions as they have access to the support and advice of those organisations. However it is important to remember that in 2009 only 23.5% of the UK workforce belonged to a trade union while 46.6% were employed in a workplace where a trade union was present. Figures also show that 61.1% of trade union members worked in the public sector. In Southampton the people we represent do not have access to the kind of support that a trade union can provide and do not usually work in sectors where the good employment practice that characterises many of the City's employers is usual.

There is no other agency or resource in the City whether a private enterprise or one in receipt of public funding which does/can do what we do. We offer a standard of representation which is as good if not better than a specialist lawyer could provide. We

advise on complex matters in relation to employment and welfare benefits and we follow this through when required and we do not charge our clients. We should emphasise here that there are no national services either currently or in development which can do what we do.

If we cast the net wider and look at the position in relation to employment matters the major source of expertise for representation for employees come from a few large solicitors firms who work exclusively for trade unions. Even on a “no win, no fee” basis (which is not a free service if the case succeeds) other law firms have not wanted to take on employment tribunal work as they are unable to recover costs.

CASE STUDY-EMPLOYMENT
A man dismissed after many years' service with no procedure and owed wages. Successful tribunal outcome.

Our clients and our work reflect the City which we serve. The gender split amongst clients is 55% female and 45% male. Our clients come from a wide range of ethnic groups.

With regards to ethnicity, just 71% were classed as White British. The other 29% demonstrates that we are accessible to all the diverse local communities.

Through partnership working with EU Welcome we are able to provide a service to Eastern European clients with translators attending every Wednesday afternoon.

During the financial year 2016/2017 we recorded over 6000 client episodes. We achieved a financial outcome in excess of £800,000 Money which is spent in the local economy helping alleviate the effects of poverty and assist with health issues.

Our casework breaks down into 60% benefits work and 40% employment, this is the primary work we undertake although obviously in some cases we will deal with an employment case which may lead us to offer additional benefits advice and assistance and vice versa.

In particular we have been very busy assisting clients manage the migration from Disability Living Allowance to Personal Independence Payment. We have assisted with over 300 application forms and had to attend in excess of 90 Tribunal Appeal hearings from April 2017 to December 2017. Delivering quality advocacy when the client most need support. Incredibly we have had a success rate of over 85%. This illustrates the problems with PIP and we intend to publish and widely distribute the findings of our detailed analysis. It is worth pausing for a moment to consider each of these clients who have serious health conditions, they have to have the courage to challenge the DWP decisions. We can only wonder at how they would have coped or worse simply given up without our support to obtain justice.

CASE STUDY-BENEFITS

A Pensioner saw us at an outreach and we identified an unclaimed premium worth £18 per week. This was backdated for over six months.

We believe that the positive outcomes for our clients and the City are as follows

- Our service helps tackle poverty
- Our service creates income to be spent in the local economy
- We are seen, and respected, as an independent agency
- We have a real presence as an organisation supported by the City Council in the priority neighbourhoods. As an example of the esteem with which we are held by the local community we have secured funding from Thornhill Plus You to enable us to continue with outreach activity which was in jeopardy as a consequence of reduced funding from the City Council.
- Our client base reflects those sections of the population who are in real need and without a voice.
- Supporting better health outcomes, for example mental health
- We promote an ethos of fairness and social cohesion within the City
- We provide a cost effective service which is free to Southampton residents.
- Feedback indicates that our service is valued which enhances our reputation and that of the City Council.

CASE STUDY EMPLOYMENT

We assisted a young worker with a discrimination dispute at work. This was happily resolved without the need to go to a Tribunal hearing.