knocks at Downing Street to save it. Her answer then will tell all." Though Mrs Thatcher is no longer around to give the answer, the point remains.

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Understanding Benefits

Means tested benefits

Simon Ennals

Contributory benefits

Retirement pension
Widow's benefit
Unemployment benefit
Sickness benefit
Invalidity benefit
Maternity allowance

Non-contributory benefits

Child benefit
One parent benefit
Attendance allowance
Invalid care allowance
Mobility allowance
Severe disablement allowance
Industrial injury benefit
Statutory sick pay and maternity pay

Means tested benefits

Income support
Housing benefit
Community charge benefit
Family credit
Social fund

Although means tested benefits were intended for only relatively small numbers of people, they have grown in importance and complexity so that by 1988 over five million people were claiming housing benefit and over four million income support. As a result a large number of patients depend on means tested benefits. These include income support, the main benefit for those not in full time work; housing and community charge benefit, which provide help with rent and poll tax; family credit, for people bringing up children on low wages; and the various forms of help with NHS charges.

One of the problems that have always plagued means tested benefits has been that of low take up by those entitled to them. People are put off by the complexity of the claim forms; worried about the stigma attached to claiming what many still regard as "charity"; or not aware that they may be entitled to benefits.

The claim forms are complicated, and for those with poor eyesight or literacy skills this can be an insurmountable barrier. Help and encouragement with completing the forms can make all the difference. Many elderly patients in particular associate means tested benefits with charity and may need reassurance. These are benefits that people have a right to, paid for out of the taxes that they have paid throughout their working life and continue to pay through value added tax and other excise duties. Many people struggle to survive on incomes significantly below the qualifying level for these benefits, and health workers are in a good position to point out to people their possible entitlements—perhaps making use of the Lisson Grove computer program*—and help them to make their claims.

Income support

Income support replaced supplementary benefit in the reforms of April 1988 as the main benefit for people not in full time work. The principle of how it works is straightforward, even if the detail is often obscure. The calculation compares the amount each family is deemed to need to live on (the "applicable amount") with whatever income they already have. Income support tops up their existing income to the level of the applicable amount.

The applicable amount varies with the family's size and circumstances. It consists of a personal allowance for a single person of £36.70 (if aged 25 or more), £28.80 for an 18-24 year old, or £57.60 for a couple, plus allowances for any dependent children under 19 still in full time education (£12.35 for those aged

*For further details contact: Department of General Practice, Lisson Grove Health Centre, Gateforth Street, London NW8 (071 724 2391 ext 208).

under 11, £18.25 for 11-15 year olds, £21.90 for those aged 16-17, and £28.80 for 18 year olds). Certain patient groups then qualify for additional fixed rate "premiums" to reflect their additional needs. Premiums are awarded to families with children, lone parents, the long term sick or disabled, pensioners, and carers. For owner occupiers allowance is also made for the interest on any mortgage or home improvement loan. This figure is then set against whatever income there already is, such as retirement pension, child benefit, etc. While most income is counted in full, attendance allowance and mobility allowance are ignored completely, making them especially valuable to look out for. Some other types of income are partially disregarded.

To claim income support several basic conditions of entitlement have to be satisfied.

(1) The claimant and any partner must have less than £8000 capital between them. This includes shares, unit trusts, National Savings Certificates, as well as more obvious bank or building society accounts. If they have less than £3000 of capital it is ignored. For capital of £3000 to £8000 an assumed interest rate of £1 a week for each £250 is added to the claimant's income.

(2) The claimant must be at least 18. The removal of benefit rights from most 16 and 17 year olds has been the subject of much controversy. But it is important to be aware that some 16 and 17 year olds can still receive income support, including those who are disabled, covered by a sickness certificate, lone parents, pregnant with a baby due within 11 weeks, or any other case where there is a risk of severe hardship. Girls in earlier stages of pregnancy may qualify if they are incapable of work because of the pregnancy. A letter from a doctor confirming a young person's ill health, or the risk of severe hardship, can be the key to them receiving any income at all.

(3) The claimant, and any partner, must not be in paid work of 24 hours a week or more. There is an exception to this rule for some disabled people with reduced earning capacity, for people caring for severely disabled people, and for childminders.

(4) In many cases people have to be available for work to claim income support and have to satisfy the Department of Employment that they are actively seeking work. This rule does not apply to a number of specific groups, however, including those incapable of work and covered by a sickness certificate; people over 60; those caring for severely disabled people receiving attendance allowance; pregnant women less than 11 weeks before the birth and within six weeks after the birth; lone parents; and the registered blind.

(5) In most cases people under 60 must not be in full time education. The main exceptions are lone parents and those with disabilities.

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This is the 3rd of 10 articles

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Means tested benefits aim at targeting support at those who need it—and not at those who don't

(6) Claimants must be present in Great Britain. Special rules apply to visitors, students, and others here for a short time. It is not necessary to have British nationality.

From the point of view of health workers the important aspect of income support is the system of premiums awarded to different groups. These can considerably increase a patient's income and thereby his or her ability to live healthily. Qualifying for the disability premium, for example, can increase the income of a single person by £15.40 a week, and of a couple by £22.10 a week. This premium is awarded automatically if the patient receives one of a variety of other benefits, including attendance allowance, mobility allowance, severe disablement allowance, or invalidity benefit. It will also be awarded if the claimant is registered blind or has been off sick (with a certificate) for 28 weeks.

Each of these conditions requires some kind of medical evidence: for the incapacity benefits a sickness certificate is required; for attendance and mobility allowance supporting evidence from the general practitioner can be extremely influential. It is worth noting that a sickness certificate can be the key to a large increase in benefit income and is important even when the patient is unemployed, or, like some married women, has not been in the labour market at all. By helping patients to claim one of these benefits, especially the mobility and attendance allowances, health workers can increase a patient's income not only by the amount of that benefit (up to £37.55 in the case of attendance allowance) but by the amount of the disability premium as well. Disabled pensioners are awarded the "higher pensioner premium," which operates in the same way.

Patients getting attendance allowance who live on their own or only with other joint tenants may also qualify for the severe disability premium—an additional £28.20 a week—provided no one is receiving invalid care allowance for looking after them. This means that for someone living independently in the community with no one living with them to care for them a successful claim for attendance allowance could lead to the trebling of their income from £36.70 to £117.85.* Obviously such dramatic results will not always happen, but the importance of attendance allowance claims cannot be overemphasised.

For disabled children receiving attendance allowance or mobility allowance or who are registered blind there is the disabled child premium of £15.40, which is added to the parents' benefit. Carers who have claimed invalid care allowance for looking after a severely disabled person will receive a £10 carers' premium.

Income support is claimed on a form B1, from the unemployment benefit office, for people who have to be available for work and on form A1, from the local

social security office, for anyone who does not have to be available for work. The income support position of people living in residential care or nursing homes will be covered in a later article.

Housing and community charge benefits

Housing and community charge benefits are administered by local councils, based on government regulations, to provide help with rent and poll tax. Both benefits are available to people in full time work as well as those not working. Much of the calculation of how much benefit can be awarded is based very closely on the same rules about applicable amounts and premiums as apply to income support. The basic rules that have to be satisfied are as follows.

(1) The claimant must be liable for poll tax in the case of community charge benefit and for rent in the case of housing benefit. A person will still be eligible even if it is actually a partner or former partner (or anyone else) who is legally the tenant if the local authority thinks it reasonable to treat the person as liable. People living with close relatives are not eligible to claim. "Rent" is interpreted broadly so that boarders, hostel residents, caravan dwellers, and flat sharers may all be eligible. No housing benefit can be paid towards mortgages.

(2) Housing benefit can be paid only for the "normal home," so temporary accommodation, such as respite care for elderly or disabled people, is not usually included. Benefits can normally be paid for only one home, although up to four weeks' unavoidable overlap is allowed when someone moves. In cases of domestic violence, however, benefit can be paid on two homes indefinitely.

(3) The claimant and partner must have less than £16 000 capital between them. This applies to both benefits. The same rules for taking into account an assumed rate of interest on capital over £3000 as apply to income support apply here.

The amount of benefit a claimant receives depends on his or her level of rent or poll tax; family circumstances, as represented by the "applicable amount"; and income. Claimants on income support, and others on similarly low incomes, qualify for the maximum level of benefit. This is 80% of their poll tax bill and 100% of their rent. Some service charges, however—for example, for fuel, meals, personal laundry, or nursing and personal care—are not eligible for benefit. Deductions may also be made for any lodgers or grown up sons and daughters living at home, who are expected to contribute towards the rent.

If a claimant's income is higher than the applicable amount—calculated by using the same personal allowances and premiums as described for income support—then benefit is reduced at a rate of 65p in the pound for housing benefit and 15p in the pound for community charge benefit (see example A). The comments made about the importance of attendance and mobility allowance and other incapacity benefits in helping people to qualify for the income support premiums apply equally to housing and community charge benefit. Even those with incomes considerably above income support level may receive significantly

*£36.70
+£15.40 disability
premium
+£28.20 severe disability
premium
+£37.55 attendance
allowance
£117.85

Example A

Housing and community charge benefit

If a claimant's applicable amount was £36.70 but her income came to £46.70 a week she would lose 65p in the pound of the £10 a week "excess income" from her housing benefit (£6.50) and 15p in the pound (£1.50) from her community charge benefit.

Example B

Family credit

The family credit for this family of two adults and four children (aged 8, 10, 12, and 15) would be:

£36.35 adult credit
+£16.50 2 children under 11
+£28.30 2 children 11-15

£81.15

For each £1 that the family's income is above the threshold of £57.60 they lose 70p from their family credit. They would not finally lose all their benefit until their net income reached £174 a week.

Thus if their income was £150 a week they would get £16.47 a week family credit:

(1) Income—threshold	£150
	—£ 57.60
	=£ 92.40
(2) (1) @ 70p in £	= £64.68
(3) Maximum family credit—(3)	£ 81.15
	—£ 64.68
Family credit payable	£ 16.47

more housing benefit by qualifying for the disability premium, for example.

Both housing and community charge benefit are claimed from the local council—usually on the same form—although people claiming income support can also make their claim at the Department of Social Security.

Family credit

Family credit was described by the government as the “jewel in the crown” of the 1988 reforms and was intended to target resources to low paid families with children. Despite elaborate advertising campaigns, however, family credit still suffers from a take up rate of less than 50%. Nevertheless, it is an important benefit for many low paid workers, so it is well worth advising patients to claim it. It is intended to be a straightforward benefit to administer, and, if the patient can negotiate the lengthy claim form—available from post offices—should be relatively trouble free. The claims are dealt with entirely by post, and once awarded the benefit lasts for 26 weeks.

To be eligible to claim, the claimant or partner must be: working an average of at least 24 hours a week; be receiving child benefit for at least one dependent child; have savings of less than £8000; live in Great Britain. The amount of family credit that can be paid depends on the family size and on income. The maximum family credit that could be paid is calculated by adding together an “adult credit” and “child credits” for each child, the amount depending on their age. So, for example, the maximum family credit for a couple with children of 9 and 12 would be: an adult credit of £36.35 a week, a credit of £8.25 for the 9 year old, and a credit of £14.15 for the 12 year old, amounting to £59.10.

If the family's income was less than £57.60 a week (known as the threshold) they would receive the full £59.10. Benefit is reduced as income rises over the “threshold” at the rate of 70p in the pound. This means that the family above would still qualify for some

family credit as long as their net income was below £142 a week. For a family of four children, aged 8, 10, 12 and 15, they would still qualify for some benefit as long as their net income was below £174 a week (see example B).

Although family credit is an important benefit and for some patients represents a significant increase to their income, it is often partly offset by a loss of housing benefit, since the family credit awarded is then treated as additional income in working out the housing benefit entitlement.

NHS benefits

Perhaps the least known, and often most under-claimed, part of means tested benefits are the various types of help available towards the cost of NHS services such as prescriptions, dental and optical treatment, fares to hospital, and milk and vitamins. In some cases patients may qualify automatically through age or receipt of income support or family credit, but others may qualify on the grounds of low income. The calculation is similar to the income support means test, but if someone's income is slightly higher than income support level it is still worth them applying as they may qualify for help with the charges, even if they do not get free treatment. Applications are made on form AG1, from post offices or the Department of Social Security.

Families receiving income support and family credit qualify for free prescriptions, free dental check ups and treatment, free vouchers for glasses, and help with fares to hospital.

Free prescriptions are also available for:

- Pregnant women, and those with babies under 12 months
- Patients with certain long term conditions, including the housebound: epilepsy requiring continuous anticonvulsive therapy; a permanent fistula needing continuous surgical dressing; some forms of diabetes; and other conditions listed in leaflet P11.
- War disablement pensioners for their war injuries.
- People under 16 or under 19 if in full time education.
- People over pensionable age.

Dental treatment and check ups are also free to:

- Patients under 18 or under 19 and in full time education.
- Expectant mothers and those with a child under 1.

Free glasses are also available to:

- People under 16 or under 19 in full time education.
- Someone whose eyesight is constantly changing.

Free sight tests are also available to: registered blind or partially sighted people; people with complex lenses; people with diabetes or glaucoma or people over 40 who are the close relative of a glaucoma sufferer.

Free milk is available to expectant and nursing mothers on income support and to children under 5 whose families are on income support.

Means tested benefits are the most complex area of the benefit system, because there are so many rules to cater for the diversity of people's circumstances. They do, however, represent benefits that are crucial to the economic and physical well being of a great number of patients.