DWP has made a decision on less than one in five new PIP claims

The DWP made a decision on less than one in five new personal independence payment (PIP) claims in the period up to December 2013, according to new statistics.

In ‘Personal Independence Payment: Management Information’, the DWP sets out figures on new claims and decisions for the period 8 April 2013 to 31 December 2013 and, in relation to new claims, reports that –

- it received a total of 229,700 PIP claims, with more than 9,000 of those being made under the special rules for those considered to be terminally ill; and
- the cumulative total of decisions made on those claims by the end of December 2013 was 34,300, with 9,600 awarded under the special rules.

In addition, the DWP says that over the same period, whilst 100 per cent of special rules claims led to an award, only 37 per cent of claims not made under the special rules were successful.

NB – Responding to a written question in parliament on 6 January 2014, Minister for Disabled People Mike Penning said –

‘We expect that once we are in a steady state the end-to-end assessment process, from DWP referring the case to the assessment provider to the assessment report being returned to DWP, should be completed within 30 working days

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Government acts to close bedroom tax ‘loophole’

The government has issued new regulations to close a bedroom tax ‘loophole’, affecting potentially tens of thousands of claimants, that was first highlighted on rightsnet.org.uk in December 2013.

With it having been suggested in a rightsnet discussion forum post on 3 December 2013 that those in receipt of housing benefit since January 1996 should be exempt from the bedroom tax, the DWP was forced to issue an Urgent Bulletin to local authorities on 8 January 2014 acknowledging that a ‘small number’ of claimants might have had their benefit reduced in error, and providing guidance on identifying those affected with a view to paying them arrears of benefit due.

NB – whilst the government has said that it estimates that less than 5,000 households will have been affected, responses to a series of Freedom of Information requests made of 346 local authorities highlight that there are more than 2,100 cases in Birmingham alone, and that the figure nationally could be up to 50,000.

However, with estimates that more than £3m will need to be repaid to affected households, DWP Minister Lord Freud announced in Parliament on 15 January 2014 that –

‘The housing benefit regulations will be amended in March 2014 to ensure that all working-age social sector

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DWP funding for social fund replacement schemes to end

DWP funding for localised social fund replacement schemes is to end from April 2015, the government has confirmed.

Established across England* in April 2013 in place of the national, DWP-administered community care grant and crisis loan scheme, the new local authority emergency assistance schemes have been funded from money that had previously been awarded under the discretionary social fund.

However, according to new documents published by the Department for Communities and Local Government (DCLG) relating to the provisional local government finance settlement for next year, the DWP’s £180m annual funding for localised welfare provision will end after 2014/2015.

Instead, the DCLG has said, local welfare will in future be funded from local authority ‘general funds’.

*In Scotland, the Scottish Government has established a national scheme – the ‘Scottish Welfare Fund’ – whilst in Wales, Northgate Public Services has been awarded the contract to deliver the ‘Welsh Social Fund’ in partnership with Family Fund and Wrexham County Borough Council.
Less than 3,000 people claimed universal credit in first 6 months

Less than 3,000 people claimed universal credit in the first 6 months of its operation, according to new ‘experimental’ official statistics.

Published in January 2014, the new statistics cover the first five universal credit Jobcentre Plus offices – Ashton-under-Lyne, Oldham, Warrington, Wigan and Hammersmith – and highlight that between April 2013 and 31 October 2013 a total of 2,960 people ‘started’ on universal credit (i.e. completed the claim process, attended an interview with a work coach, and received at least one payment). Of these, the majority were male – with a male to female ratio of approximately 7:3 – and 70 per cent of those receiving universal credit at the end of the period were unemployed people aged under 25.

NB – the roll-out of universal credit has focused on taking claims for the new benefit in more straightforward cases, for example from single jobseekers; UK citizens; claimants with a national insurance number; and those aged between 18 and 60 years and 6 months.

The new statistics are available via www.gov.uk/government/collections/universal-credit-statistics

Universal credit roll-out: Secretary of State for Work and Pensions Iain Duncan Smith has said that it is the government’s intention that it will progressively start to take claims for universal credit in the 10 live universal credit areas from couples in summer 2014 and from families in autumn 2014, before then expanding roll-out to cover more of the Northwest of England.

This is part of the government’s ‘current planning assumption’ that universal credit will be fully available in each part of Great Britain during 2016.

Source: Written Statement to Parliament (5 December 2013)

Government introduces restrictions on benefit rights of European nationals

The government has announced a series of restrictions on the benefit rights of European nationals.

Taken together the changes are designed, as Work and Pensions Secretary Iain Duncan Smith and Home Secretary Theresa May told the Daily Mail in January 2014, to ensure that migrants are ‘unable to take unfair advantage of our system’ by accessing benefits as soon as they arrive in the UK.

The changes include –

- from 1 January 2014, migrants from the European Economic Area (EEA) will need to have lived in Britain, or the Common Travel Area, for three months before they can make a claim for income-based JSA (the new rules, the DWP says, will also applies to British nationals returning from a period abroad);
- also from 1 January 2014, EEA jobseekers who make a new claim for JSA will receive it for six months before being required to provide ‘compelling evidence’ that they still have a ‘genuine prospect of work’ for ongoing entitlement;
- from 1 March 2014, EEA claimants will have to have earned at or above a new earnings threshold – an average of £646 a month (£149 a week) in 2013/2014, and/or £663 a month (£153 a week) in 2014/2015 – for a period of three months in order to be automatically accepted as having ‘worker’ status for the purposes of claiming benefits; and
- from the start of April 2014, new EEA jobseekers will no longer be able to access housing benefit if they are claiming income-based JSA (with the exception of certain groups including UK and Irish Republic nationals; EEA migrants genuinely self-employed or in a job; and EEA nationals who have been working in the UK, and are subsequently made redundant and claim JSA).

NB – the EEA comprises EU states plus Iceland, Liechtenstein and Norway; and the Common Travel Area comprises the UK, Ireland, the Channel Islands and the Isle of Man.

Claimants being sanctioned ‘inappropriately’ or without using common sense

There is evidence that Jobcentre Plus staff have referred many claimants for a sanction inappropriately or in circumstances in which common sense would dictate that discretion should have been applied, the Work and Pensions Select Committee has said.

In a new report, ‘The role of Jobcentre Plus in the reformed welfare system’, the Committee says that, whilst a limited independent review of sanctioning has been established by the DWP, there should be a separate, broader review of the operation of benefit conditionality and sanctioning to ensure that the rules are being applied fairly and appropriately. This review should also investigate whether, and to what extent, sanctioning is having the desired effect of encouraging claimants to engage more actively in job-seeking – ‘An unprecedented number of claimants were sanctioned in the year to June 2013. Whilst conditionality is a necessary part of the benefit system, jobseekers need to have confidence that the sanctioning regime is being applied appropriately, fairly and proportionately and the government needs to assure itself that sanctioning is achieving its intended objective of incentivising people to seek work.’

The report also recommends that the DWP take urgent steps to monitor the extent of financial hardship caused by sanctions, including collecting and publishing data on the number of claimants ‘signposted’ to food aid by Jobcentre Plus and the reasons why these claimants were in need of assistance.
Discriminatory effect of the bedroom tax and benefit cap is justified, Court of Appeal holds

In judgments handed down on 21 February 2014, the Court of Appeal has dismissed challenges to both the bedroom tax and the household benefit cap. In both cases the Court held that whilst the policy discriminates against people with disabilities (in the case of the bedroom tax) and women (in the case of the benefit cap), the discriminatory effect of the policies is justified.

Responding to the bedroom tax judgment – in which the Court said that it was satisfied that the needs of disabled people subject to the bedroom tax are being met by means of discretionary housing payments (DHPs) and that, for the appellants and other disabled people in a similar situation, their needs for assistance with payment of their rent are in fact better dealt with by DHPs than housing benefit – solicitors Leigh Day and Co said –

'We are extremely disappointed by this judgment and we are baffled by the findings of the Court of Appeal. The Court recognised that our clients and thousands of disabled people across the UK had a need for accommodation not provided for by the new housing benefit rules, however the Court decided that disabled tenants should not have their housing needs met on an equivalent basis to their able bodied counterparts, just because they are disabled.

Instead disabled tenants are being forced to rely on short term and discretionary payments.'

We are currently considering whether an appeal to the Supreme Court is possible. Our thoughts go out to the thousands of disabled tenants who continue to be faced with uncertainty, poverty and the risk of eviction.'

In response to the benefit cap judgment, Hopkin Murray Beskine Solicitors said –

'We are very disappointed with the decision of the Court of Appeal and hope to continue this challenge in the Supreme Court. In particular it is disappointing that the Court declined to decide important issues of principle affecting the large numbers of women and children made homeless by domestic violence every year.

The benefit cap is already causing serious hardship to families across the country and to local authorities who are struggling to find accommodation for homeless families in crisis. It is not an exaggeration to say that the long term impact of the cap is going to trap some women and children in violent relationships, leave others hungry, homeless and isolated at times of crisis. The government seeks to justify the cap by the financial savings achieved but [it is] likely to have … serious financial costs as the fallout impacts on other public services including social services, education and the justice system.'

Copies of the judgments are available via www.bailii.org

Shadow Work and Pensions Secretary sets out vision of ‘one nation approach’ to social security

On 21 January 2014, in a speech to the Institute for Public Policy Research (IPPR), Shadow Work and Pensions Secretary Rachel Reeves set out the next steps in the Labour Party’s vision of a ‘one nation approach’ to social security.

Whilst acknowledging that there will always be people who cannot do paid work, for example because of illness or disability, Ms Reeves said that a belief in the ‘dignity of work’ is at the heart of the Party’s vision of a ‘country in which everybody plays their part, and everybody has a stake’.

To this end, Ms Reeves set out a series of reforms designed to –

‘… make sure all those who can and should be working, are working; improve wages and working conditions, so that work always pays; and reward work by ensuring that the contributions people make are properly recognised in the social security system.’

Amongst the proposals for reform outlined by Ms Reeves were –

• mandatory training for jobseekers who fail a ‘basic skills test’, requiring claimants to meet basic standards of maths, English and IT, with the training to be undertaken ‘within weeks’ of signing-on;

• increasing the initial rate of JSA paid to those who have built up a ‘sufficient record of contribution’, for example, a higher rate of JSA ‘paid for the first six weeks of unemployment to those who have lost their jobs after perhaps four or five years in work’; and

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DWP has made a decision on less than one in five new PIP claims

in 97 per cent of cases with an average no case taking longer than 40 working days.’

Mr Penning acknowledged however that currently ‘in some cases the end-to-end assessment process is taking longer than originally anticipated’.

PIP roll-out: From 3 February 2014, PIP has rolled out to new areas in the North of England – in areas with postcodes beginning CA (Carlisle); DL (Darlington); HG (Harrogate); LA (Lancaster); and YO (York) – where existing DLA claimants will be ‘invited’ to claim PIP if the Department receives information about a change in their care or mobility needs; their fixed term award is due to expire; or the claimant turns 16. The DWP has said however that the majority of existing DLA claimants won’t be re-assessed until 2015 or later, after it has considered the findings of the first independent review of the new benefit later this year.
Government acts to close bedroom tax 'loophole'
(continued from page 1, col 3)

... we also need to improve the support we give to those looking for work at every stage so that we can reduce the number of people who even reach this point. That means a work programme that actually works. Under this government we've seen a billion pounds paid out to contractors on a scheme that has seen more people return to the Jobcentre than find a job. A Labour government will not be renewing these contracts in 2015-16. In place of the top-down, bigger-is-better model imposed by this government, our replacement...