Expansion of New Enterprise Allowance scheme

With over 53,000* new businesses created since its existence, the New Enterprise Allowance (NEA) is a popular and successful scheme which has been running since January 2011.

The grant-funded scheme was due to end in December 2014 but was given an extension until March 2016 by the Chancellor in his 2013 Autumn statement.

From 5 January 2015, NEA will continue broadly in its current form but will be delivered through nationally contracted providers in 15 Contract Package Areas (CPA) across England, Scotland and Wales. Details of the CPAs and providers can be found on Contracts Finder by searching NEA CPA. NEA participants will be supported by both volunteer mentors and paid business advisers.

Eligibility to the scheme is being extended to now include the following:

- All JSA claimants and their dependent partners.
- All ESA claimants (Work Related Activity Group, Support Group and Assessment Phase group) and their dependent partners.
- Income Support claimants who are lone parents or claiming as sick.
- Universal Credit claimants in the work related groups (Work related requirement group, work preparation and work focussed interview groups only)

The changes will not affect existing NEA participants, who will continue to work with their current provider until conclusion of their scheme.

For further information see New Enterprise Allowance

* As at June 2014
Key findings from the Litchfield Review

The fifth independent review of the Work Capability Assessment (WCA) was published in November. The review is fifth to be carried out by Dr Paul Litchfield and is the final statutory independent review of the WCA.

Key findings of the fifth independent review were that:

- The scale and scope of the changes to the WCA might have resulted in it never really having time to ‘bed down’;
- There have been significant changes in outcomes for people who go through the WCA, with considerably more people being placed in the Support Group and considerably fewer being found fit for work;
- People with a learning disability face barriers within the WCA process, including difficulties with the standard communications from DWP and with the face-to-face assessment;
- There are key principles that should be taken into account in any future reforms, including placing DWP staff at the heart of the assessment and making greater use of information that is already available to DWP.

DWP will now consider Dr Litchfield’s recommendations carefully before publishing its response during this Parliament.

The report of the fifth independent review is available on [GOV.UK](https://www.gov.uk).

ESA - New measures to improve health and employment support

DWP is further improving the Limited Capability for Work (ESA50) questionnaire that claimants are required to fill in as part of their Employment and Support Allowance (ESA) claim.

This change is the latest in a series of improvements for assessing a claimant’s capability for work. The form will make it clearer that a range of information from a variety of care professionals can be a valuable contribution when assessing eligibility for ESA.

The new form will list the types of evidence or information claimants could send which may help show how their health condition or disability affects their ability to do things on a daily basis, as well as listing the things they don’t need to send.
Claimants will be encouraged to provide information they are likely to already have, but may not be aware can be used as evidence to support their claim. Claimants will be told that they are not required to get any new or specially prepared information and DWP cannot refund any costs involved if they do get this.

This improvement responds to a recommendation by Dr Litchfield in the 4th Independent review of the Work Capability Assessment.

The revised form will be launched early in 2015.

**Personal Independence Payment Update**

On 17 November Personal Independence Payment (PIP) was extended to working age Disability Living Allowance (DLA) claimants in Manchester, Liverpool, Chester and Huddersfield where:

- Their existing DLA claim fixed term award is coming to an end.
- The claimant is approaching age 16.
- DWP receive information about a change in their care or mobility needs.
- An individual chooses to claim Personal Independence Payment instead of their DLA.

On 17 December the next set of official UK statistics on PIP will be published covering data up to October 2014. This will provide an update to the previously published statistics and will also include for the first time, more detailed breakdowns of medical conditions.

For further information see [www.gov.uk](http://www.gov.uk)