Benefit medicals to be computerised

Disability Living Allowance and Incapacity Benefit claimants may soon encounter doctors undertaking medical assessments in relation to their entitlement to benefit being prompted by computers to ask specific questions about how their health impacts on their ability to work, their need for care or the difficulties they have with walking.

Following a successful three-month trial by doctors conducting disability benefit assessments, SchlumbergerSema – the private company contracted by the DWP to administer the medical assessment of those claiming incapacity and disability benefits – has announced that it is rolling out its PC-based Evidence Based Medicine system across the UK.

In a recent news release, the company advised –

“Feedback from the trial has shown that doctors found the system easy to use and subsequently produced a higher standard of reports ... (DWP) decision makers, who make the decision on entitlement to state benefits, also reported that assessment reports were much clearer and easier to read.”

The system – the largest computer led evidence-based medicine project undertaken in the UK – guides doctors through the medical assessment, prompting questions with the aim of facilitating a thorough assessment by him/her, before producing a printed report. The system is designed to continually check responses and to only present the doctor with logical evidence-based choices.

SchlumbergerSema, whose contract with the DWP has been extended to August 2005 despite having had financial penalties repeatedly imposed on it for failing to meet service level targets, had promoted the use of the new system to the Work and Pensions Select Committee last year. The Committee had convened to examine improvements, if any, in the quality of medical examinations and reports that it had previously found were not always of a sufficiently high standard.

SchlumbergerSema, whilst accepting that its own monitoring continued to show a need to improve the quality of medical reports provided by their doctors, suggested that the use of a PC-based Evidence Based Medicine system would help, in that it would –

“enable each doctor to produce a more consistent, totally legible and medically sound report.”

And, it would appear, the Government and the DWP agree.

The DWP, in its evidence to the Committee, advised that in its view the project would secure consistency in conducting medical examinations and, in the Incapacity Benefit Personal Capability Assessment, for example, assist in the selection of appropriate functional descriptors.

What’s more, Work and Pensions Minister Nicholas Brown speaking in Parliament linked the extension of SchlumbergerSema’s contract to a requirement that the computerisation of medical assessments be rolled out across the UK –

“The agreement to extend the contract contains a set of quality improvement measures, including even more challenging measures relating to the quality of medical reports ... and requires them to deliver a number of other important initiatives including ... national implementation of “Evidence Based Medicine” ... to secure more consistency in conducting medical examinations and to improve the quality of medical reports by using fully researched medical protocols for examination supported by an IT application.”

Time will tell whether, despite the Government’s commitment, the new system, based as it is on a reliance on computer prompts and verification will make, as the DWP suggest, “a significant contribution to the accuracy and reliability of medical assessment of people claiming benefit.”

www.rightsnet.org.uk
the welfare benefits website for advice workers
Tax credits payment system
not in chaos

Despite Ministerial assurances that, contrary to reports in the media, the tax credits payment system is not in fact in chaos, the Government’s public accounts watchdog, the National Audit Office, has confirmed that it is to investigate the way the new system was introduced and unveil its findings this Autumn, as part of its annual audit of the Inland Revenue.

The announcement follows a succession of reports that claimants have received letters from the Inland Revenue –
- terminating their payments before they have even begun;
- incorrectly saying that the addressess have no qualifying children, their awards are “0.00” – and that they will have to appeal; and
- asking for confirmation of their name, address and national insurance number when in most cases all of it was already stored in the Revenue’s computer systems. (Detailed personal information about taxpayers are kept on the tax office’s main computer systems but the tax credits system has been developed separately. Whilst staff can access both systems, they must transfer information between them manually.)

Indeed many of the difficulties have been blamed on the tax credits computer system developed by private contractor EDS as part of a £2.8bn 10-year deal. The Inland Revenue has confirmed that “the new tax credits computer system is not yet performing as well as we would like. We are sorry about that and we are working hard with EDS to improve system performance.”

NB – EDS also developed the new Child Support computer system, delays in which resulted in the Child Support reforms introduced in March 2003 having been put on hold for almost a year.

In addition, at the same time that hundreds of Inland Revenue workers were taking part in a “spontaneous” walkout in protest at the ongoing problems, the Inland Revenue published its Service Delivery Agreement for 2003–2006. Reassuringly it says –

“We want to make it as easy as possible for citizens and businesses to deal with the Revenue. We will achieve this by focusing on the needs of customers … and major improvements in our communications.”

However it conceded that “it is difficult to set performance indicators and targets at this early stage as we are still learning about tax credit customer behaviour, how best to manage tax credit work and the level of performance we can realistically achieve.”

Meanwhile a claimant in Somerset became so dismayed with the delays in receiving tax credit payments that he glued himself to the inquiries desk at his local tax office. Half an hour later he walked away from the office accompanied by police officers, paramedics … and a cheque for £400.

Council Tax & registered care homes

Government announcement

Local Government Minister Nick Raynsford has announced that the Government intends to legislate to ensure that all registered care homes in England are assessed for council tax as a single residence, even where they provide self-contained units for independent living.

In a statement to Parliament, the Minister said –

“We have concluded that in future where individuals live in registered care homes, in accordance with Part 2 of the Care Standards Act 2000, they should not be separately assessed for the purposes of council tax.

… The Office of the Deputy Prime Minister will consult shortly on the necessary changes to the relevant statutory instruments. Subject to this consultation, we aim to change the legislation later this year.”

The proposals would see one council tax bill issued to the care home, with the owner responsible for paying.

Landmark ruling on recovery of overpayments

The Court of Appeal – in Hinchy v Secretary of State for Work and Pensions – has ruled that the DWP cannot recover overpayments of benefit made to claimants that arose because they stopped getting another DWP benefit.

The claimant was overpaid income support when a disability premium continued to be paid when her fixed-term disability living allowance award came to an end. The Secretary of State sought to recover the overpayment on the basis that the claimant had failed to disclose that she had signed the counterfoil in her order book that contained a declaration that she was entitled to a payment of income support that included a disability premium.

However the Court of Appeal held that as the DWP knew that her DLA had stopped it couldn’t then claim the money back on the basis that the claimant had “failed to disclose” that it had stopped.

Commenting on the decision, Stewart Wright, Legal Officer with the Child Poverty Action Group, said –

“This is a victory for claimants, common sense and for social security. It is very significant as it overturns previous case law. It is likely to affect tens of thousands of claimants.

For many years claimants have found it baffling that they could be blamed for being overpaid benefit when the sole reason for the overpayment was an alteration in another benefit … They rightly thought that the DWP must have known about the alteration … and should have acted on it.

That argument was consistently rejected by social security tribunals and courts … (but) has now been accepted by the Court of Appeal.”

However, whilst the issue of whether there was a misrepresentation has been remitted back to the social security commissioners for consideration (with the Court indicating that it would require some persuasion that the signing of the order book declaration alone could amount to a misrepresentation), the DWP has indicated its intention to apply for leave to appeal to the House of Lords against the judgment. In consequence it has issued new guidance to its decision makers advising that decisions in cases that might be affected by the outcome of the appeal should be deferred until such time as a final application for leave is refused or the appeal is determined.
HB benefit periods

“Amnesty” for pensioners

From October 2003, Housing Benefit and Council Tax Benefit benefit periods are to be abolished for those who have attained the qualifying age for state pension credit.

Ahead of the change, and in an attempt to make the transition smoother, the DWP has introduced transitional rules for pensioner claims that are due to expire in the run-up to abolition –

“We want you to have the power to carry on paying benefit in these cases without the need for repeat claims ... (In addition, whilst) the repeat claim process currently triggers referral to rent officers, under the amnesty we want to give you the option of such referrals.”

The abolition of HB/CTB benefit periods are provided for by the Housing Benefit and Council Tax Benefit (State Pension Credit) (Abolition of Benefit Periods) Amendment Regulations 2003 (SI No.1338) and these regulations also provide for the transitional rules, from 16 June 2003.

NB – It is the Government’s intention to abolish benefit periods for all HB/CTB claimants in April 2004. □

Housing Benefit sanctions & anti-social behaviour

Government consultation

The Government has published a White Paper – Respect and Responsibility: Taking a Stand Against Anti-Social Behaviour – that sets out proposals for giving local authorities power to withhold payments of Housing Benefit from tenants where they believe this is the most effective way of tackling anti-social behaviour.

Launching a consultation on the proposals, Work and Pensions Minister Andrew Strathclyde said –

“The Government sympathises with those who question whether it is right for the State to support the housing costs of people whose behaviour brings misery to the lives of individuals and communities. The aim of a Housing Benefit sanction would be to provide a workable measure that could be applied swiftly and fairly in response to such behaviour.”

The consultation describes two options, either of which would be delivered through a reduction in the amount of HB payable –

- a sanction triggered by court convictions for offences involving anti-social behaviour; or
- a sanction triggered by a separate local authority administrative process.

The consultation asks for general comments on the two options, including whether –

- respondents agree with the principles behind the proposals, the options described are consistent with those principles, and sanctions would act as effective deterrents;
- the options could be administered fairly, efficiently and effectively; and
- respondents agree with the Government’s preference for the administrative option.

The paper also asks how Housing Benefit sanctions might be invoked – uniformly across the country or at the discretion of individual local authorities.

The deadline for responding to the consultation is 12 August 2003.

NB – The Local Government Association (LGA) responded to the launch of the consultation by urging the Government not to misuse HB to tackle anti-social behaviour. Richard Kemp, acting chair of the LGA Housing Executive said –

“The idea that social support can be withdrawn on the basis of someone in the family’s behaviour is dangerous. Councils are committed to tackling anti-social behaviour, but benefit payments are an inappropriate tool ... Such measures could open up councils to legal challenge from people who would claim, for example, breach of human rights (and) private sector landlords will be deterred from letting properties to people on housing benefit because of the danger they may not be able to pay their rent if they subsequently received a housing benefit sanction.” □

Copies of the consultation document are available @ www.dwp.gov.uk/housingbenefit/consultations/hb.pdf

Abolition of Housing Benefit – an update

Further to our publication in review 95 of details of the “biggest reform of Housing Benefit since 1988” – the replacement of Housing Benefit with Standard Local Housing Allowances based on area and family size in the private rented sector – the Social Security Advisory Committee has now been asked by the Government to consider draft regulations that will take the proposals forward.

The new reforms will be piloted in the first instance in ten “Pathfinder” areas –

Brighton and Hove City Council, County Borough of Conwy, Coventry City Council, City of Edinburgh, Leeds City Council, London Borough of Lewisham, Middlesbrough Council, North East Lincolnshire Council, Teignbridge District Council and Blackpool Borough Council.

In addition, the DWP has confirmed that, with regard to the timing of the pilots and the transfer of existing HB cases to the new system in these areas –

“We have allowed some flexibility for Pathfinder authorities to introduce the scheme when it is most practical for them and their software suppliers. As a result, all Pathfinders are likely to go live at some point between October 2003 and February 2004, but the exact dates may vary.

We are also allowing individual Pathfinders to choose between a ‘big bang’ and a ‘phased’ transfer of their existing caseload. A ‘phased’ approach would involve transferring existing claimants onto the new scheme when their claim would ordinarily be referred to the rent officer. Alternatively, existing claimants could be moved onto the new scheme on a single date – a ‘big bang’ approach.”

It is proposed that the pilots will run for two years before, subject to their evaluation, the scheme is introduced nationwide. □
Millions risk pensions shortfall
Deadline for making voluntary NI contributions extended

The deadline for millions of people to make voluntary national insurance contributions has been extended after problems with the NI computer system resulted in the Inland Revenue failing to send out reminders over the last five years to those who needed to top up their state retirement pensions.

In a written statement to the Commons, Treasury Minister Dawn Primarolo, said – “The decision to suspend National Insurance Contributions deficiency notices … was taken five years ago … by the Contributions Agency … No Minister was consulted or informed of this decision … I have instructed the Inland Revenue that anyone affected must be allowed to pay their voluntary contributions at the rate that would have applied in the year that their contributions were deficient, rather than the current rate.”

In addition the Minister advised that the Inland Revenue has been asked to carry out an inquiry into why the decision to suspend the issue of reminder notices was taken, why the issue of the notices was not resumed after the computer system was stable, and why ministers were not informed for six years.

With millions of people facing the prospect of having to pay up to £1,500 in extra national insurance contributions if they are to get their full state pension, the Inland Revenue has announced that the deadline for paying voluntary contributions for the years 1996-97 to 2000-01 has now been extended to 5 April 2008.

Ministers express disappointment at rollout of Jobcentre Plus

The Commons Public Accounts Committee has published a new report that expresses disappointment that the DWP decided to rollout Jobcentre Plus before the final evaluation of the ONE pilots, on which the new service was modeled, had been carried out. (The evaluation suggested that ONE had made no difference to the employment prospects of benefit claimants despite getting people into work having been its main objective.)

The Committee took evidence from the Treasury, the Home Office and Jobcentre Plus and concluded –

“The main benefit which the DWP considered it had derived from the ONE project was how to develop, pilot and subsequently implement nationally what has now become the Jobcentre Plus service.

As a consequence the Department decided to rollout the ONE pilot to the Jobcentre Plus service nationally throughout 2001 and 2002 before the final evaluation results were known, in expectation that the principles enshrined in the pilot would increase the number of benefit claimants getting into work. It is disappointing, therefore, to find that the results of the final evaluation suggest that the ONE project has made no difference to the employment prospects of benefit claimants. These results have implications for the effectiveness of Jobcentre Plus, and the Department for Work and Pensions will need to assess carefully the adequacy of these new arrangements for getting those on welfare back to work.”

NB – the report – Improving Public Services through Innovation – identifies that 26% (some £80 million) of the Government’s total expenditure from its Invest to Save Budget was spent on ONE.

Benefits and the “abolition” of ELR

Further to the Government’s announcement in November 2002 that it intended to replace Exceptional Leave to Remain (ELR) with “a new status of humanitarian protection for those who have protection needs but who are not covered by the 1951 Refugee Convention”, the DWP has now issued guidance on the impact of the change on the benefit entitlement of those with the new status.

The new guidance – HB/CTB Circular A11/2003 advises that, from 1 April 2003, ELR for asylum seekers will be replaced with decisions called Humanitarian Protection (HP) and Discretionary Leave (DL).

NB – ELR will continue to be awarded in non-asylum cases.

Importantly claimants who have been awarded either HP or DL are treated in the same way as those with ELR – ie they are entitled to benefit.