Government publishes second draft of PIP assessment regulations

The government has published the second draft of the personal independence payment (PIP) assessment regulations.

In the explanatory note to accompany the draft regulations, the DWP says that the revised assessment criteria have been developed taking into account the feedback it received through its summer consultation, and that, while it has not been possible to reflect all comments, the new proposals build heavily on the views of disabled people and their organisations.

Some of the key changes that have been made to the draft criteria are –

- the criteria now refer to supervision from another person where this is required to enable an individual to carry out an activity safely;
- where two or more descriptors in an activity apply on less than 50 per cent of days individually but reach this threshold when combined, the descriptor which applies for the greatest proportion of the time will apply;
- the previous ‘Planning and buying food and drink’ activity has been replaced with the new activity ‘Making financial decisions’;
- the previous ‘Communicating with others’ activity has been split into two new activities: ‘Communicating’ and ‘Engaging socially’ – the former focuses on

DWP consults on plan to recover mortgage interest support

Universal credit claimants to have charge placed on property

The DWP is consulting on plans to recover mortgage interest support from universal credit claimants.

In an informal call for evidence and associated impact assessment, published on 6 December 2011, the DWP sets out details of its proposals for the treatment of support for mortgage interest (SMI) under universal credit which, it says, are ‘guided by the principles of fairness, affordability, and achieving an end to benefit dependency by encouraging work’.

The DWP is seeking views on its proposals for key aspects of SMI provision under universal credit including –

- the recovery of SMI paid to a claimant through a charge on the property, plus interest to cover costs to government from the equity in their property, for new claims – this would be recovered on the death of the recipient or the sale of that property or alternatively the recipient could choose to pay off the charge at any point;
- changes to the standard interest rate – whilst the DWP says that it

DWP announces new Benefit Integrity Centres

The DWP has announced the setting up of a number of new Benefit Integrity Centres (BICs) which, it says, have the specific aim of making sure that claimants are receiving the correct amount of money.

Highlighting, in the November 2011 edition of its Touchbase magazine, that this is part of a wider programme to review almost one million cases each year, the DWP says that BIC sites are contacting claimants by telephone and post to carry out full case reviews on claims for income support (IS), jobseeker’s allowance (JSA), employment and support allowance (ESA) and incapacity benefit (IB), and are also contacting claimants by text to remind them of the need to return forms and to notify changes of circumstances within laid down timescales.

The DWP goes on to set out the answers to commonly asked questions, including –

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Care home residents to retain DLA mobility component

The government has confirmed that people living in residential care will continue to have their additional mobility needs met through disability living allowance (DLA) and the personal independence payment (PIP).

In the 2010 Comprehensive Spending Review, the government set out proposals to remove entitlement to the mobility component of DLA for claimants in residential care – other than those who are fully self-funding – from 2012/2013, a move that would have generated savings of £135 million a year by 2014/2015.

However, with the independent Low Review having said last month that, if the rights of disabled people are to be preserved, then it is vital that DLA mobility and its successor under PIP, are retained for people living in residential care, Work and Pensions Minister Maria Miller announced on 1 December 2011 that, after listening to the strong concerns of disabled people and their organisations, she had taken action and decided not to remove the payment.

Maria Miller’s statement on the mobility component is available from Hansard.

12 million claimants to move onto universal credit by 2017

The government will move 12 million working age claimants onto universal credit by 2017, according to Secretary of State for Work and Pensions Iain Duncan Smith.

Details of the timetable, set out by Mr Duncan Smith recently, include –

- between October 2013 and April 2014, 500,000 new claimants will receive universal credit in place of jobseeker’s allowance, employment and support allowance, housing benefit, working tax credit and child tax credit;
- at the same time a further 500,000 existing claimants (and their partners and dependants) will also move on to universal credit as and when their circumstances change significantly, such as when they find work or when a child is born;
- from April 2014, the second phase will give priority to households who will ‘benefit most from the transition’ such as those working tax credit claimants who currently work a small number of hours a week but ‘could work more hours with the support that universal credit brings’ – overall 3.5 million existing claimants (and their partners and dependants) will be transferred onto universal credit during this second phase; and
- the last and final phase, which begins at the end of 2015 and runs through to the end of 2017, will see around 3 million households being transferred to universal credit by local authority boundary, with a focus on safeguarding financial support, such as housing benefit payments to claimants as the old benefit system winds down.


WCA has ‘noticeably changed for the better’, says Professor Harrington

The work capability assessment (WCA) has ‘noticeably changed for the better’, according to Professor Harrington.

In An Independent Review of the Work Capability Assessment – year two, published on 24 November 2011, Professor Harrington highlights that all of the recommendations proposed by his first Independent Review were accepted by the government, and says that, in his view, the WCA has ‘noticeably changed for the better’ as a result.

However, Professor Harrington says that there is still further to go, with some improvements having not reached all parts of the DWP, and adds –

‘To those who feel nothing has happened, I say: be patient. It is happening. The process is not yet perfect, but it is improving and will continue to do so over the course of the five Independent Reviews.’

Professor Harrington goes on to set out a series of recommendations designed to complement, and build on, the recommendations from the year one Review, including –

- better communications and sharing of information between all parts of the system;
- increasing and improving the transparency of the assessment;
- ensuring quality decisions are made; and
- monitoring the impact of recommendations from the Independent Reviews.

Professor Harrington also says that further decisions need to be made on proposals for new mental, intellectual and cognitive descriptors, the treatment of fluctuating conditions and the treatment of people undergoing cancer treatment.

NB – in its response to the year two review, the government says that it will be consulting on proposals for the treatment of claimants being treated for cancer in December 2011.

An Independent Review of the Work Capability Assessment – year two, and the government’s response, are available from the DWP website.

For more information on all these changes see –

www.rightsnet.org.uk

the welfare rights website for advice workers
Tax credit ‘savings’ announced in Chancellor's Autumn Statement

In his Autumn Statement of 29 November 2011, the Chancellor announced that, whilst most working age and disability benefits will rise by 5.2 per cent in April 2012, the couple and lone parent rates of working tax credit will be frozen, and the government will not go ahead with the planned £110 above inflation increase to the child element of child tax credit.

Key benefit and tax credit measures in the Chancellor’s Autumn Statement include –

- the basic state pension will rise by £5.30 to £107.35 in April 2012, whilst the full couple rate for those whose entitlement is based on their spouse’s or civil partner’s pension will rise by £8.50 to £171.85 per week;
- the standard minimum income guarantee in pension credit will increase by 3.9 per cent in April 2012, to £142.70 per week for single pensioners and £217.90 a week for pensioner couples;
- the government will raise the threshold for savings credit in April 2012 to £111.10 for single pensioners and £177.20 for pensioner couples;
- most working age and disability benefits will be uprated by September 2011’s CPI figure of 5.2 per cent, as will the child element of child tax credit and the disability elements of tax credits;
- however, the government will not go ahead with the planned £110 above inflation increase to the child element of child tax credit and will not uprate the couple and lone parent elements of working tax credit in 2012;
- the increase in the state pension age to 67 will be between April 2026 and April 2028, with an expected saving of £60bn in today’s prices between 2026/2027 and 2035/2036; and
- the government will introduce the Youth Contract programme to provide support for 18-24 year olds to get into the workplace (see adjoining article).


DWP consults on plan to recover mortgage interest support

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believes the current formula works well, and so doesn’t propose specific options, it nevertheless says that it would welcome views;

- a move away from the automatic mortgage interest direct scheme to paying SMI direct to working-age recipients (except where they are vulnerable) who would be responsible for budgeting and paying their mortgage to their lenders;
- simplifying the administration of home improvement loans by allowing all loans for housing-related expenses, subject to exclusions, with a cap on the amount payable equivalent to a percentage of the eligible home improvement loan(s) in each case – for example 70 per cent or 80 per cent;
- the removal of certain linking rules related to receipt of mortgage payment protection insurance;
- the removal of the exemption from time-limiting for those recipients moving onto jobseeker’s allowance (or the equivalent within universal credit) from income support or income-related employment and support allowance; and
- possible changes to the capital limit and waiting period, with an aim of ensuring any change remains cost neutral.

NB – the deadline for responses to the call for evidence is 27 February 2012. The call for evidence on SMI under universal credit, and associated impact assessment, are available at www.dwp.gov.uk/consultations/2011/support-for-mortgage-interest.shtml

Government announces £1bn ‘Youth Contract’

The government has announced a £1bn ‘Youth Contract’ to tackle youth unemployment.

The Youth Contract, which will start in April 2012 and last for three years, is designed to provide at least 410,000 new work places for 18 to 24 year olds.

Details of the scheme include –

- 160,000 18 to 24 year olds to be taken on by employers using a wage incentive payment of £2,275, available as part of the Work Programme;
- 250,000 new work experience placements for up to eight weeks for every unemployed 18 to 24 year old who wants one, after they have been on jobseeker’s allowance for three months and before they enter the Work Programme;
- at least 20,000 more incentive payments of £1,500 to encourage employers to take on young apprentices;
- a new programme to help the 25,000 most disengaged 16 and 17 year olds, getting them back to school or college, onto an apprenticeship or into a job with training with payment by results;
- after 18 to 24 year olds have been on jobseeker’s allowance for three months, they will move to weekly, rather than fortnightly, signing, with extra adviser time to provide more back to work support, and a guaranteed careers interview with the National Careers Service within the first three months; and
- those failing to engage positively with the Youth Contract will be considered for four weeks of mandatory work activity and those that drop out of a work experience place or a subsidised (or other) job without good reason will lose their benefits.

Details of the scheme are set out in Chancellor George Osborne’s Autumn Statement 2011 which is available from the Treasury website.
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- what kind of information are claimants being asked for?
  ‘The BIC review will cover all aspects of the customer’s personal circumstances, in the same way as information is taken when a new claim is made. If a BIC asks claimants to provide information they must return it as soon as possible, as there is a possibility that payments may be suspended if there is a delay.’

- how are claims selected for review?
  ‘Any claimant currently in receipt of benefit can be selected for a claim review. Claims are chosen across the main four benefits, IS, JSA, ESA and IB, and may be selected for review on more than one occasion.’

- will a claimant’s benefits be stopped?
  ‘The BIC will only stop benefits if the claimant has no entitlement or has not provided the information within the legally prescribed timescale. They will base their decision on the information the claimant has given to them, and will always write to the claimant to tell them the decision.’

- what if the claimant wishes to appeal against the outcome of the review?
  ‘The claimant has the right to appeal the BIC decision. This should be done by phone or in writing within one month of the day the decision was made.’


Government publishes second draft of PIP assessment regulations

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expressive and receptive communication and accessing written information; while the latter assesses ability to interact with others in a contextually and appropriate manner, understand body language and establish relationships;

- a number of the definitions used within the criteria have been broadened – for example, a ‘simple meal’ is now one made only from fresh ingredients, not frozen (Preparing food and drink); medication and therapy may now be recommended as well as prescribed (Managing therapy or monitoring a health condition); and communication support can be from a person experienced in communicating with the individual, as well as from someone who is trained to provide such support (Communicating); and

- the assessment now also considers ‘cheap, widely available’ aids and appliances which can ‘reasonably be expected’ to be used.

In addition, the draft regulations set out the DWP’s initial thoughts on the scoring of the descriptors.

The DWP says that it intends to discuss the draft regulations with disabled people and their organisations and to consult formally once it has firmer views on the descriptor weightings and likely entitlement thresholds. In the meantime, the DWP says that it would welcome any comments people have on the changes it has made.

The draft PIP assessment regulations and accompanying explanatory note are available from www.dwp.gov.uk/policy/disability/personal-independence-payment

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Deadline for entries is 13 February 2012.

Work experience for long term unemployed

The DWP has announced a pilot of increased support and mandatory work experience for the very long term unemployed.

In an equality impact assessment, published on 11 November 2011, the DWP says that it will be running a ‘trailblazer’ in four Jobcentre Plus districts from November 2011 (ahead of national roll out in 2013) to test whether, with an increased level of support and opportunities to gain work experience, very long term claimants have greater success in finding and staying in employment.

The equality impact assessment on support for the long term unemployed is available on the DWP website.