Introduction of employment and support allowance to be delayed

The government has confirmed that the introduction of employment and support allowance in place of the current system of incapacity benefits will not now happen until November 2008 at the earliest.

It had been expected that the new benefit would be introduced in April 2008 – to coincide, for example, with the completion of the national roll-out of Pathways to Work. However, work on developing the supporting IT, that is expected to take 22 months, has not yet commenced.

As a result, and with the welfare reform bill not due to complete its passage through parliament until spring 2007 at the earliest, Secretary of State for Work and Pensions, John Hutton, has submitted a request to parliament for permission to spend £31.25 million on contracts for the development of the supporting IT before Royal Assent.

However, even if the request, made in November 2006, is successful, contracting will not commence before January 2007, and the new benefit will therefore not be introduced any earlier than November 2008.

Healthy Start scheme rolled-out nationally

Following a successful pilot in Devon and Cornwall, the Healthy Start scheme, that provides children and pregnant mothers in low income families with free vouchers for milk and fresh fruit and vegetables, was rolled-out nationally on 27 November 2006 in place of the Welfare Food Scheme.

The scheme is open to pregnant women (once they are ten weeks pregnant) and children under five years old in families in receipt of income support, income-based jobseeker’s allowance or child tax credit (but not working tax credit) with an annual family income of below £14,155. It is also open to all pregnant women under 18 years of age.

The vouchers are worth £2.80 each and qualifying pregnant women and children between one and four years old will get one voucher every week, with children under one year old receiving two vouchers a week. Free vitamin supplements will also be supplied under the scheme.

A ‘landmark settlement’ for future generations

Government publishes the Pensions Bill

The government has published the Pensions Bill that provides for the re-linking of the basic state pension to earnings, and for state pension age to rise gradually to 68 by 2046.

Welcoming the publication of the Bill, Secretary of State for Work and Pensions, John Hutton, said that it represents a ‘landmark settlement’ for future generations.

Key measures include –

- uprating the basic state pension annually in line with earnings rather than prices from 2012 (subject to affordability and the fiscal position) or in any event at the latest by the end of the next Parliament;
- increasing the state retirement age by one year per decade between 2020 and 2050, with each change phased in over two consecutive years in each decade – from 65 to 66 between 2024 and 2026, to 67 between 2034 and 2036, and to 68 between 2044 and 2046;
- for those reaching state pension age from 6 April 2010, reducing the number of years it takes to build a full basic state pension, from 44 years for men and 39 for women, to 30 years for everyone;
- new crediting arrangements that would allow a parent, a registered foster parent or a carer reaching state pension age from 6 April 2010 to build up, in certain circumstances, entitlement to a Category A basic state pension; and
- the abolition of adult dependency increases with effect from 6 April 2010, with protection for entitlements up to that date to 5 April 2020.

The Pensions Bill is available @ www.publications.parliament.uk/pa/pabills.htm
DWP child poverty report calls for ‘New Deal for Parents’

Aligning support for lone and couple parents through a ‘New Deal for Parents’ could play a crucial role in helping the government to meet its target of eradicating child poverty by 2020, a report commissioned by the Department for Work and Pensions has said.

The report – Delivering on Child Poverty: What would it take? – notes that beyond the New Deal for Lone Parents, parents participating in welfare to work programmes are not automatically identified as parents and their family commitments not taken into account.

The report therefore recommends that the DWP move beyond categorising jobseekers according to their benefit entitlement, which channels individuals into separate welfare to work programmes according to the benefits they are claiming. Instead, jobseekers should be viewed in the wider context of their family, and the ‘next step in the personalisation of welfare to work support’ would see the launch of a New Deal for Parents.

NB – whilst agreeing that ‘welfare to work programmes have rightly adopted a ‘work first’ approach, given the strong evidence that gaining a job offers individuals better long-term prospects than simply acquiring training’, the report says that the approach is not sufficient to end child poverty because nearly half of children in poverty live in a family where someone is already in employment.

Welcoming the publication of the report, Work and Pensions Minister, Jim Murphy said –

‘It is clear we must now look at how we can develop our services to better cater for all kinds of families.’

The government will now examine the report’s recommendations in detail with a view to looking at how it can increase the family focus of its welfare to work programmes, Mr Murphy added.

DWP releases internal Jobcentre Plus guidance on clerical claims

The DWP has released a copy of its internal guidance that reminds staff that claimants can make clerical claims for benefit to Jobcentre Plus rather than being required to deal with a telephone contact centre.

The guidance – ‘An aid to the issue and receipt of clerical claim forms’ – advises that –

‘Although the Jobcentre Plus preferred method of taking new claims to benefits is to use the telephone to enable interaction with the customer supported by the customer management system, other traditional routes such as customers asking for claim forms or writing in with requests remain open.’

In consequence, the guidance – ‘… documents the processes to be followed when a customer or representative, where due to the customer’s circumstances this is the most appropriate route, when making a new claim to benefit requests a clerical claim form rather than the preferred method of using the customer management system … (and) gives clear advice about how to handle these forms …’

The guidance is available from the toolkit area @ www.rightsnet.org.uk

Nationsals of new EU countries to face restrictions on access to UK labour market

Despite the success of the Worker Registration Scheme in ensuring that nationals of the countries that joined the European Union (EU) in 2004 – for example, Poland, Latvia, and the Czech Republic – have not had ready access to work and welfare benefits, the government has announced that it is to impose more severe restrictions on nationals of Bulgaria and Romania on the two countries acceding to the EU on 1 January 2007.

Britain, along with Ireland and Sweden, fully opened their labour markets to the eight countries that joined the EU in 2004 and, in a statement to parliament in November 2006, Home Secretary, John Reid, said that the Worker Registration Scheme ‘ensured people came to work and not claim benefits’ and that ‘the proportion attempting to claim out of work benefits has been less than 1%’.

However, whilst Europe has ‘prospered by letting people move and trade freely’, Mr Reid said that the expansion of the EU ‘poses new challenges which have to be managed properly’ and that ‘managed migration is the right approach’.

In consequence, the Worker Registration Scheme will not apply to Romania and Bulgarian nationals. Instead, amongst a package of measures, the Home Secretary said that the UK will maintain controls on Romania and Bulgarian nationals’ access to jobs for a transitional period –

‘… if they want to take employed work they will need a work authorisation document (and) to get such a document they will need to have passed the tests to get onto the Highly Skilled Migrant Programme, have secured a work permit for a skilled job, proved they are a student at a reputable college, or got a place in the quota for agriculture or food processing.’

New regulations have been issued to prevent national insurance numbers from being allocated to people in employment who have no right to work in the UK.

In force from 11 December 2006, the Social Security (National Insurance Numbers) Amendment Regulations 2006 (SI.No.2897/2006) provide that a person who is required to apply for a national insurance number because s/he is an employed earner or self-employed earner must provide a document described in Part 1 or 2 of the Schedule to the Immigration (Restrictions on Employment) Order 2004 – such as a passport or national identity card which confers a right of residence in the UK – in support of their application.

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Appeals Service performance ‘strong and effective’ despite a ‘challenging year’

Bringing forward the transfer of the Appeals Service to the Department for Constitutional Affairs at the same time as delivering staffing reductions meant that 2005/2006 was a ‘challenging year’, its Chief Executive, Christina Townsend, has said.

However, in her foreword to the Appeals Service’s latest annual report, Ms Townsend says that despite the changes the organisation exceeded its Secretary of State targets, demonstrating ‘strong and effective management of our caseload’.

For example –

- 262,816 cases were cleared, compared with 257,888 in the previous financial year;
- the average waiting time for an appeal to be heard from the time of receipt by the Appeals Service was 10.4 weeks, against a target of 11 weeks;
- the number of cases over 20 weeks old as at 31 March was reduced to 3,421, against a target of 4,458; and
- for cases returned by the Commissioner, the average waiting time for the appeal to be re-heard was 7.2 weeks, against a target of no more than 8 weeks from the date of return to the Appeals Service.

NB – Other activities highlighted in the report include –

- proposals to establish fewer, better equipped venues;
- exploring the feasibility of reducing the requirement for medically qualified panel members;
- consideration of whether 20,000 decisions presently taken by District Chairs could be made by clerks;
- the extension of voice recognition software to enable Chairs to write longer decisions and reduce the number of statement requests they receive;
- consideration of whether a mix of video conferences and face-to-face hearings could increase attendance of Presenting Officers from 70% to 90%; and
- consideration of how the new organisation’s IT system can be fully exploited, for example to enable clerks to track the progress of appeals, enter hearing outcomes and re-book adjourned hearings without the need to refer back to the processing centre.

Following the Queen’s Speech, the government has published the Tribunals, Courts and Enforcement Bill.

Amongst other measures, the Bill creates a new, simplified statutory framework for tribunals to provide ‘coherence and enable future reform’, and brings the tribunal judiciary together under a Senior President. It also replaces the Council on Tribunals, the supervisory body for tribunals, with an Administrative Justice and Tribunals Council, and gives it a broader remit.

The reforms in the Bill accompany the creation of the Tribunals Service in the Department for Constitutional Affairs, a new agency that was launched in April 2006 to provide common administrative support to the main government tribunals.

Benefit sanctions ineffective, says DWP’s own research

Where attendance at a work-focused interview is driven by the possibility of being sanctioned there is little evidence of increasing interest in or movement towards work, according to new DWP research on the Pathways to Work pilots.

The research forms part of a comprehensive programme of evaluation of Pathways to Work and finds that claimants generally supported the principles of the pilot and found value in attending work-focused interviews to discuss their circumstances and the information on support available to them.

However, whilst the possibility of being sanctioned was influential in maintaining compliance in attending work-focused interviews, the research highlights that there was little evidence of increasing interest in or movement towards work among people whose compliance was driven by fear of losing benefits.

Instead, the research found that confidence that the personal adviser understood the effects of the person’s health condition and personal circumstances in relation to working was more likely to encourage compliance with attending interviews and contributed to positive experiences and memories of meetings at Jobcentre Plus.

A Social Security Advisory Committee (SSAC) report, ‘Sanctions in the benefit system: Evidence review of JSA, IS and IB sanctions’, published in November 2006, highlights evidence that the sanction for those who leave a job voluntarily is not well understood and penalises people who have genuine reasons for leaving a job. In addition, for those who do understand the sanction it may actually act as a disincentive to try out a job. As a result the SSAC recommends either a complete removal of the sanction or an easement, whereby it would not be imposed the first time a claimant left a job voluntarily.

For more information on all these changes see –
www.rightsnet.org.uk
the welfare rights website for advice workers
DWP to roll-out use of 0800 telephone numbers

People claiming working age benefits will be able to able to call Jobcentre Plus contact centres for free with the roll-out of new 0800 telephone numbers, the government has announced.

According to information obtained under the Freedom of Information Act earlier this year, the DWP received more than £1/2 million in 2005/2006 through the 0845 telephone numbers it uses for benefit claimants to contact them.

However, Work and Pensions Minister Jim Murphy recently acknowledged that — ‘Many of our customers are among the poorest in society and we can do more to support them. We have to make sure that those who need help can make a claim quickly and easily and without being hit in the pocket.’

As a result, following successful pilots in North Lincolnshire and Central London, the use of 0800 numbers will now be rolled-out across the country ‘over several months’.

A ‘fast, efficient and free’ claims process is essential to the next phase of welfare reform, Mr Murphy added.

rightsnet launches new tax credits website

With support from HM Revenue and Customs, and as a complement to our main rightsnet site @ www.rightsnet.org.uk, we’ve launched a brand new tax credit website for advisers.

The new site brings together all the resources you need to keep up to date with the latest tax credit legislation, guidance and case law.

In addition —

- check out the ‘resources’ area of the new site for forms, leaflets and factsheets, calculators and more; or
- if you’re stuck with a tax credits problem, or have information to share, why not check out our tax credit discussion forum?

Claiming HB/CTB electronically or over the telephone

New housing benefit and council tax benefit regulations have been issued in relation to new options for making claims and reporting changes of circumstances.

In force from 20 December 2006 —

- the Housing Benefit and Council Tax Benefit (Amendment) (No. 2) Regulations 2006 (SI.No.2967/2006) allow a person to claim housing benefit and council tax benefit by telephone, to amend, by telephone, a claim made by telephone, and to notify a change of circumstances by telephone or by ‘other means’; and
- the Housing Benefit and Council Tax Benefit (Electronic Communications) Order 2006 (SI.No.2968/2006) enables the use of electronic communications in connection with claims for and awards of housing benefit and council tax benefit.

NB — the regulations and the Order are enabling rather than mandatory, to reflect the fact that not all local authorities will wish to use the new powers immediately or for all areas of activity to which they potentially apply.

In addition, to be able to take claims, amendments and change of circumstances notifications by electronic means, a local authority’s Chief Executive must first make a direction to ‘e-enable’ their housing benefit administration, which would set out the framework for how it would work within that particular authority.

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