



## Benefits Newsletter February 2018

### 1. Universal Credit

#### In-work Conditionality

Universal Credit claimants who earn less than their conditionality threshold will be expected to be looking for additional hours or be prepared to give up the work they are doing for a better paid job. The conditionality threshold is the number of hours the claimant is to work for each week x the appropriate National Minimum Wage; e.g. for a single claimant over 25 who is looking for full time work the threshold is 35hrs x £7.50 (NLW) = £262.50 per week, (£1,137 a month) gross income.

In-work conditionality is now being piloted in full service UC areas on a random sampling basis and the DWP has announced that the trial is to be extended until 19<sup>th</sup> February 2019. See [AMD 6/18](#)

#### Gov.UK Verify

The Privacy & Consumer Advisory Group looked at the Gov.UK Verify system at their meeting [16<sup>th</sup> November 2017](#) it was reported in the minutes:

*'Research shows that while 35% of UC users can verify online, and 30% are not yet able to, 35% of users could verify online, but do not. Further research at a job centre showed that out of 91 users, 48 needed help with the process.'*

Access Croydon, reported that even with support, only 1 in 5 people were able to verify their identity.

#### Free School Meals

[The Free School Lunches and Milk, and School and Early Years Finance \(Amendments Relating to Universal Credit\) \(England\) Regs 2018 \(S.I. No. 2018/148\)](#), have been issued that introduce a Universal Credit earnings threshold for entitlement to free school meals, from 01/04/18. To be eligible, a household must have an annual net earned income equivalent to no more than £7,400 at the point of claim. The threshold applies to earnings calculated over a 'relevant period' - which can be one, two or three UC assessment periods preceding the request for a free school meal. The amounts are £616.67 where there is earned income in a relevant period made up of one UC assessment period that immediately precedes the date of the request for a free school meal; £1,233.34 where the relevant period is two assessment periods and £1,850 where the relevant period is three assessment periods.

Transitional protection is provided, in [the Welfare Reform Act 2012 \(Commencement No. 30 and Transitory Provisions\) Order 2018 \(S.I.No. 2018/145\)](#), for those children currently eligible for a free school meals, so that entitlement continues to the later of either 31 March 2022, or the date the child completes the stage of education the child was undertaking on 31 March 2022.

#### Benefit Cap

4,000 households claiming Universal Credit in the full service areas were subject to the benefit cap as at November 2017, according to new [DWP statistics](#). 17 per cent of those were capped by the equivalent of more than £100 per week

## Universal Credit [Sanction Statistics](#)

- In November 2017 4.7% of Universal Credit claimants received a benefit sanction compared to only 0.4% of JSA claimants.
- 72 % of mandatory reconsiderations have resulted in a UC sanction being upheld since August 2015. However where a decision goes on to be appealed, 81% of appeals are successful.

## 2. Review of Medical Assessments for PIP and ESA

The Work and Pensions Select Committee has published a [report](#) which says public contract failures have led to a loss of trust that risks undermining the operation of major disability benefits. The Committee made several recommendations including that the DWP:

- Immediately institute recording of face to face assessments and provide a record and a copy of the assessor's report to claimants;
- Take measures to improve understanding amongst health and social care professionals, and claimants, of what constitutes good evidence for PIP and ESA claims, and to ensure this evidence is used effectively by contractors;
- Set out how it will measure, monitor and report on the supply of evidence into PIP and ESA assessments;
- Improve accessibility of the process at every stage: from the format and style of the application form, to information about home visits, to information about accessing reconsideration and appeal;
- Improve its use of contract "levers" to improve contractor performance - and quality control via feedback through the claim process, including feedback from the appeal stage

The Works and Pensions Select Committee has also published a report containing [stories of claimant experiences](#) of ESA and PIP medical assessment process.

*'One theme that emerged was claimants going through this process, by their accounts often arduous and stressful, only to receive a report that bore little or no relation to their circumstances or what had occurred during the assessment. After reading her report, Nikki told us:*

*"Apparently I walk my dog daily, which was baffling because I can barely walk and I do not have a dog!"*

*Mary told us that her assessor wrote in her report that:*

*"I 'arose from the chair without any difficulty'. I was in bed the whole time (she let herself in) and I only have the one chair in the room and she was sitting in it. She said that I had no difficulty reading with my glasses yet I do not wear glasses to read."*

## 3. ESA

### ESA Work Capability Assessment

A new research [report](#) published by academic Ben Baumberg Geiger, in collaboration with Demos think tank recommends that the work capability assessment (WCA) descriptors should be overhauled so that they reflect the British Labour market. The report focuses on three issues:

- how the WCA decides if a claimant's impairments are 'genuine' in deciding if they should be eligible for incapacity benefits
- how the WCA decides if someone is capable of work
- the WCA's role in establishing if disabled claimants should be subject to conditionality and sanctions

## **Caselaw - Mobilising using a manual wheelchair**

In [CE/1585/2017](#) Upper Tribunal Judge Poynter considered an appeal where the claimant was unable to walk more than 50 meters but was considered to be able to mobilise in a manual wheelchair over this distance by the decision maker and First Tier Tribunal even though he did not normally use a wheelchair. Judge Poynter found in favour of the summary of the judgment states:

*'The fact that a claimant can reasonably use a manual wheelchair to mobilise, does not – without more - establish that s/he can mobilise, or repeatedly mobilise, for any particular distance. A tribunal's findings about the distance a claimant can mobilise using a wheelchair must be based on evidence and explained in any written statement of reasons'*

## **4. Simple Payments of Benefits**

Benefit claimants who are unable to open a bank account may currently receive their benefits through the Simple Payment Scheme. The DWP has announced that Simple Payments are to be replaced by HM Govt Payment Service from 1<sup>st</sup> February 2018 for new claimants and for all claimant by 20<sup>th</sup> March 2018.

Benefit Payments will still be made by SMS text or card, or alternatively vouchers will be sent by a pdf email attachment. Payments will still be made through PayPoint outlets, but there are the following changes:

- benefits or pensions issued under the new service will need to be withdrawn within 30 days of receipt or the customer will need to contact DWP to have the payment voucher reissued;
- overall payments will remain the same but will be paid in sums up to £100 - for recipients this will mean that if their benefit or pension is over £100 they will receive multiple vouchers requiring separate transactions to collect the money - as long as funds at the PayPoint outlet are sufficient this can be done in the same visit; and
- customers can use any of the 29,000 PayPoint outlets to encash payment subject to funds being available at the outlet.

DWP has also been writing to customers who have Simple Payment accounts which have not been used recently, telling them the account will be closed and requesting that they withdraw any balance. If there are any outstanding balances when the account is closed these will be held centrally and the customer will need to contact DWP to arrange payment to an alternative account.

## **5. Minimum Wage Increases**

The National Minimum Wage and National Living Wage levels are to increase from 1<sup>st</sup> April 2018. [The National Minimum Wage \(Amendment\) Regulations 2018](#) set out the following rates:

- |                          |                                   |
|--------------------------|-----------------------------------|
| • employees aged 25+ -   | £7.83 per hour (previously £7.50) |
| • employees aged 21-24 - | £7.38 per hour (previously £7.05) |
| • employees aged 18-20 - | £5.90 per hour (previously £5.60) |
| • employees under 18 -   | £4.20 per hour (previously £4.05) |