



Benefits Newsletter August 2018

1. Universal Credit

Monitoring the first 6 months of UC in North Staffordshire Survey

We are planning to write a report on the experiences that claimants have had during the first 6 months of UC in North Staffordshire and would like to hear of any issues that you are coming across. If you have any experiences that you like to share with us please complete this survey <https://www.surveymonkey.co.uk/r/P2D8C9F> by 31st August 2018.

Universal Credit roll-out

The DWP has published the final part of the Universal Credit full service [roll-out plan](#). Newcastle Borough, Kidsgrove, Biddulph and the rest of Stoke-on-Trent will start introducing the full service on Wednesday 12th December 2018, which is the last day of the roll-out programme in the following postcode areas.

CW2 5	Barthomley, Weston
CW3 9	Madeley, Betley
ST4 4 to ST4 9	Hanford, Trentvale, Penkhull, Oakhill, London Rd Stoke, Campbell Rd, Hartshill, Basford
ST5 0 and ST5 1	Newcastle Town Centre
ST5 2 and ST5 3	Thistleberry, Pool Dam, Clayton and Seabridge
ST5 5 to ST5 9	Keele, Whitmore, Maer, Silverdale, Knutton, Chesterton, Bradwell, Cross Heath, Wolstanton
ST6 5	Tunstall, Sandyford, Goldenhill
ST7 1	Talke, Talke Pits, Butt Lane, Clough Hall
ST7 3	Scholar Green, Church Lawton, Mow Cop
ST7 4	Kidsgrove Newchapel, Harriseahead, Mow Cop, Packmoor
ST7 8	Audley, Hammerend, Alsagers Bank
ST8 6	Biddulph, Knypersley
ST8 7	Biddulph Moor, Knypersley
ST8 9	Biddulph

Compensation for people who have lost the severe disability premium

The DWP has agreed to introduce legislation to ensure that claimants who have the severe disability premium (SDP) as part of their legacy benefit entitlements do not have to migrate to UC until after July 2019 when they will be able to keep the addition as part of their transitional protection.

In the meantime, there are around [4,000](#) claimants who have already moved to UC and have experienced a reduction in the amount of benefit because they are no longer entitled to the SDP. In the draft of [The Universal Credit \(Transitional Provisions\) \(Managed Migration\) Amendment Regulations](#) the DWP is suggesting that single claimants in the limited capability for work related activity (support group) will only receive compensation of £80 a month if they have lost their SDP when the real loss is around £184 a month. The consultation on the draft regulations closed on 20th August and the NAWRA [response](#) is one of many to address this issue, so this may change.

Problems with fixed assessment periods in UC

CPAG has published report '[Rough justice Problems with monthly assessment of pay and circumstances in universal credit](#)', which highlights some of the problems caused by having a fixed monthly assessment period.

- Claimants who are paid four-weekly or receive their pay early at Christmas time will receive two payments of wages within one assessment period. If this happens only one work allowance applies to the claim, and the whole second payment of wages will be subjected to the 63% taper and if their income is too high for UC they will lose entitlement to.
- Claimant who are paid early because of Christmas or bank holidays will have an increase in their UC the following month if have no wages during that assessment period, but they could find themselves being benefit capped because they do not have earnings the equivalent of 16 hours a week at the National Minimum Wage amount even though they are working.
- Claimants who are only working 16 hours a week at the National Minimum Wage rate and are paid 4 weekly will not receive enough income in the assessment period exempt them from the benefit cap, the income has to be the equivalent of 16 hours at the NMW over a calendar month; e.g. someone over 25 would only have earnings of £501.12 over 4 weeks rather than £542.88 over a calendar month.
- The whole month approach to the change of circumstances is also causing problems. Claimants who move from a high rent to a low rent property will only receive the amount of rent for the property they are living in at the end of the assessment period. Claimants who have a child that leaves home during the assessment period will not receive any UC for that child for that month.

CPAG and Leigh and Day Solicitors have both applied for a Judicial Review to look at the legislation relating to the Universal Credit assessment periods, the hearing will take place over 28 and 29 November 2018. The CPAG case is on behalf of two single mothers who are both working, one of them has an assessment period which ends on 29th of each month and her pay day is on the last working day of the month which means there are some assessment periods where she is treated as being paid twice, [R \(Woods and Barrett\) v SSWP CO/1552/2018](#).

Works and Pensions Select Committee Report on UC and domestic abuse

The Works and Pensions Select Committee has published a [report](#) highlighting concerns about UC being paid to one person in the household where there is domestic abuse. The committee recommends

- the government engages with the Scottish Government, to pilot different ways of splitting payments;
- where claimants have dependent children, the entire universal credit payment should be made to the main carer by default or, where split payment requests are permitted, the higher proportion of the split payment should remain with the main carer other than in exceptional circumstances;
- the DWP must ensure it has every safeguard in place to protect vulnerable claimants, starting with a private room in every Jobcentre 'without delay', and privacy changes to the online journal; and
- every Jobcentre should be required to appoint a domestic abuse specialist.

Citizens Advice Report on Universal Credit

Citizens Advice has published a report '[Making a Universal Credit Claim](#)' which highlights many of the problems that people in full service UC areas are experiencing. One of the main problems highlighted in the report is that '*1 in 4 of the people we help taking more than a week to finish their claim - reducing their entitlement and delaying income*'.

Statistics

The latest [Universal Credit statistics](#) show that on 12th July 2018 there were just over 1 million UC claimants across the UK. There were 2,894 claimants receiving UC in North Staffordshire. In Stoke-on-Trent the number of UC claimants increased by 494 in the month since the start of the full service on 13th June 2018.

	Stoke-on-Trent	Newcastle Borough	Staffs Moorlands	Total
June 2018	1,575	573	222	2,370
July 2018	2,069	555	271	2,894

In North Staffordshire the majority of claimants are looking for work:-

July 2018	Searching for work	Working with requirements	No work requirements	Working no requirements	Planning for work	Preparing for work	Total
Stoke	1167	233	218	384	29	43	2069
Newcastle	316	45	38	128	6	12	555
Staffs Moorlands	143	41	20	67	6	6	271
Total	1627	322	272	583	35	61	2894

2. Employment and Support Allowance

Income-Related ESA Review

The Secretary of State for Work and Pensions Esther McVey, has conceded that the failure to assess for income-related employment and support allowance (ESA) on conversion from incapacity benefit was official error. The DWP will now backdate underpayments of ESA to the date of conversion; a process which started in March 2011.

In a [Judicial Review](#) hearing on 10th August 2018 which challenged the limiting of the backdating of Mr Smith's entitlement to income related ESA to October 2014

Ms McVey has now accepted that -

'... prior to the Upper Tribunal's decision in LH in October 2014, the Department was aware that:

- *ESA is one benefit with two elements;*
- *no separate claim is required for entitlement to one or other of the elements;*
- *the Secretary of State was obliged to consider a person's entitlement to income-related ESA from the date of conversion and in order to do so would be obliged to seek information about that person's income, that*
- *the failure by the Secretary of State to seek such financial information and thus consider Mr Smith's entitlement to income-related ESA in circumstances where he was in the support group and thus, subject to that financial information, would be entitled to a higher rate of income-related ESA from the date of conversion ... was an official error, such that the decision in his case fell to be revised back to the date of conversion.'*

Prior to this decision, Esther McVey issued a [written statement](#) on 18th July in response to a Public Accounts Committee [report](#) on this issue and confirmed that underpayments will be backdated as far as 2011 which when the Incapacity Benefit migration began.

3. Pension Credit

From 1st February 2019 Pension Credit claimants will be able to receive additions for children as part of their Pension Credit instead of having to make a separate claim for Child Tax Credit. The allowances for children are the roughly equivalent to the amount of Child Tax Credit:

- for each child or qualifying young person - £53.34;
- a further amount for disability - £29.02;
- a further amount for severe disability or a child or qualifying young person that is certified as severely sight impaired or blind - £88.34; and
- for each eldest child or qualifying young person born before 6 April 2017 - £63.84.

If the claimant is currently receiving Child Tax Credit they will to receive CTC until they have a change of circumstance that ends their award.

[The State Pension Credit \(Additional Amount for Child or Qualifying Young Person\) \(Amendment\) Regulations 2018](#)

4. Work and Pensions Committee benefit cap inquiry

The Work and Pensions Select Committee has announced that it will continue its work to examine whether the benefit cap is achieving the DWP's previously stated aims of incentivising work, encouraging behaviour change and reducing public spending.

Submissions are invited by 10 September 2018 on the following points -

- how have claimants responded to the lower benefit cap introduced in November 2016?
- what difficulties are claimants experiencing in adjusting to the cap?
- what is the effect on claimants who are not subject to jobsearch conditionality in the benefits they claim?
- what are the cap's knock-on effects on other public spending, such as local authority expenditure?
- what are the consequences for discretionary housing payments and what impact does their use have on behavioural change? and
- to what extent is the benefit cap achieving its aims and what steps could be taken to improve this?

If you would like to comment on any of these questions either go to the Work and Pensions Select Committee's [webpage](#) or complete the attached survey by 5th September and we will send in responses from our partner agencies to the inquiry – see <https://www.surveymonkey.co.uk/r/386QQ7S>

5. Supported Housing

Following a consultation about the future funding of supported housing, the government has decided housing benefit will remain in place to fund this accommodation.

Justin Tomlinson, Minister for Family Support, Housing and Child Maintenance, [said](#):

'We are committed to ensuring that vulnerable people have access to the supported housing they need to live safely and independently.

We value the expertise of stakeholders and have listened carefully to their concerns during the consultation.

As a result we will continue to pay housing benefit for all supported housing –making sure safe homes are provided for those that need it most.'