



## Benefits Newsletter November 2018

### 1. New Secretary of State for Work and Pensions

Amber Rudd has been appointed to the role of Secretary of State for Work and Pensions following the resignation of Esther McVey on 15<sup>th</sup> November; she is the sixth minister to hold this position since March 2016.

### 2. Universal Credit

#### Managed Migration Legislation

The DWP has published [The Universal Credit \(Managed Migration\) Legislation 2018](#) which is presented to the House of Lords for debate on 5<sup>th</sup> November and will be presented to the House of Commons within the next two weeks. The Managed Migration legislation includes a number of changes to UC which were announced in the Budget on 29<sup>th</sup> October and a few changes to the draft legislation published in June following a consultation period.

- claimants who currently receive the Severe Disablement Premium as part of their legacy benefits will not have to migrate to UC until Managed Migration begins if they have a change of circumstances which requires a new claim; this will come into force on 16<sup>th</sup> January 2019;
- transitional protection will be awarded to claimants who were receiving the severe disability premium but have already migrated to UC from 16<sup>th</sup> January 2019; however the DWP has not taken into account the responses from various advice groups which pointed out that a single claimant over 25 who is in the ESA support group still be around £42 a week worse off than they were before moving to UC
- claimants who are receiving Income Support, income-based JSA, income-related ESA, will continue to receive these benefits for 2 weeks after claiming UC; this will come into force on 22<sup>nd</sup> July 2020;
- all self-employed claimants, not just those with a new business, who make a new claim for UC will not have the minimum income floor applied to their claim; this comes into force on 23<sup>rd</sup> September 2020;
- all claimants who are migrating to UC as part of the managed migration process, will be given 3 months instead of just one month, to claim UC; this 3 month period can be extended if requested;
- a transitional capital disregard will give protection for Tax Credit claimants who have capital of more than £16,000 on migration day. The amount of capital over £16,000 will be disregarded for 12 assessment periods (one year);
- legacy benefit claimants who make a successful qualifying claim for UC before deadline day maybe entitled to transitional protection if their UC award would be lower than the amount they are currently receiving;
- full-time students receiving legacy benefits will be allowed to migrate to UC and will be able to remain on UC until the end of the course, (section 4(1)(d) of the Welfare Reform Act prevents students from claiming UC);
- discretionary hardship payments will be available for claimants who appear to be in hardship as a result of the termination of their existing benefits

## Social Security Advisory Committee report on the draft Universal Credit (Managed Migration) Regulations 2018, and the government's response

The SSAC's [report](#) on the UC draft managed migration regulations made a number of recommendations which the Government has accepted. However, as the Sir Ian Diamond the chair of the SSAC has [responded](#) further and has advised that more needs to be done to protect those who are migrating and that the July 2020 start date for the legacy benefit run-on needs to be brought forward.

### Reclaiming UC following a 'nil' award

[The UC Landlord Engagement newsletter](#) explains the process for reclaiming UC following a month of a nil award.

*'Claimants are notified through their journal that they have a nil award and informs them of the option to make a new claim. The journal will display a new screen that tells the claimant their claim is closed and includes a button to make a new claim.*

*When a claimant clicks the button to make a new claim it will play back their circumstances so that they do not need to enter details unless there is a change of circumstances. A claimant is unlikely to need to come into the jobcentre as ID should already have been accepted.*

*A face to face meeting may be required for a claimant commitment but depending on their conditionality group this may not be necessary.*

*When a claimant makes a new claim within six months of a claim closing they retain the same Assessment Period (AP) as for the previous claim and the claim will be paid from the AP date in which they reapply.'*

The newsletter highlights that there are now 470 registered social landlords which have been given trusted partner status; as of 10 October 2018. To see the full list click [here](#). The DWP aims to have 90% of social housing landlords registered by December 2018.

## Universal Credit Statistics

### Statistics

The latest [Universal Credit statistics](#) show that on 11<sup>th</sup> October there were 5,640 claimants receiving UC in North Staffordshire. In Stoke-on-Trent the number of UC claimants increased by 2,978 in the 17 weeks since the start of the full service on 13<sup>th</sup> June 2018.

UC Caseload	Stoke-on-Trent	Newcastle Borough	Staffordshire Moorlands	Total
June 2018	1,575	573	222	2,370
July 2018	2,114	547	279	2,942
Aug 2018	2,861	547	352	3,764
Sept 2018	3,762	532	453	4,748
Oct 2018	4,553	535	546	5,640

### Sanctions

The DWP has released the [latest statistics](#) on the number of claimants receiving a benefit sanction:

- 2.9% of universal credit claimants who were subject to conditionality had benefit reduced due to a sanction (August 2018); whereas
- 0.2 % of JSA claimants and 0.1% of ESA claimants had benefit reduced due to sanction (July 2018)

In North Staffordshire the number of UC sanctions has decreased from 63 in April 2018 to 16 in July 2018 and zero in August 2018. ([stat-xplore](#))

## **Citizens Advice Report – Universal Credit and Single Disabled People**

Citizens Advice has published [report](#) looking at the impact of UC on single disabled people.

The report identifies four principles that existed in the legacy system that the government should consider fully integrating into Universal Credit:

1. Working people should receive additional in-work financial support if they are disabled or have a health condition.
2. People with Limited Capability for Work should be able to trial part-time work without facing a significant penalty in their benefit award.
3. People with Limited Capability for Work (LCW) should get employment support which helps them move towards work and financial support which recognises how long they are likely to be out of work.
4. There should be targeted financial support available for disabled people who live alone without an adult carer.

## **Universal Credit Survey**

It is coming up to 6 months since full service Universal Credit was introduced in parts of Stoke-on-Trent and Staffordshire Moorlands, so we would like to know what experiences your clients/service users are having with claiming and managing their UC claim – have things settled down since the early days or have they got worse over time?

You can either sent a case study to [potteries.gold@sncab.org.uk](mailto:potteries.gold@sncab.org.uk) or complete the survey monkey by clicking on the link <https://www.surveymonkey.co.uk/r/SGZR5BD>

## **3. UN Special Rapporteur**

The UN Special Rapporteur for Extreme Poverty and Human Rights, Philip Alston has spent 2 weeks gathering evidence about the impact of welfare benefit cuts and austerity policies. In his [report](#) he concludes

*'The results? 14 million people, a fifth of the population, live in poverty. Four million of these are more than 50 per cent below the poverty line, and 1.5 million are destitute, unable to afford basic essentials. The widely respected Institute for Fiscal Studies predicts a 7 per cent rise in child poverty between 2015 and 2022, and various sources predict child poverty rates of as high as 40 per cent. For almost one in every two children to be poor in twenty-first century Britain is not just a disgrace, but a social calamity and an economic disaster, all rolled into one.'*

Amber Rudd Secretary of State for Work and Pensions has [responded](#) to this report saying that she is disappointed with the political nature of this report but she has promised improvements to UC.

## **4. Benefits Sanctions**

Work and Pensions Committee has published a [Report](#) into the impact of Benefit Sanctions upon claimants which includes evidence sent into us as part of our sanctions survey back in May 2018.

Chair Frank Field MP said

*"We have heard stories of terrible and unnecessary hardship from people who've been sanctioned. They were left bewildered and driven to despair at becoming, often with their children, the victims of a sanctions regime that is at times so counter-productive it just seems pointlessly cruel.*

*While none of them told us that there should be no benefit sanctions at all, it can only be right for the Government to take a long hard look at what is going on. If their stories were rare it would be unacceptable, but the Government has no idea how many more*

*people out there are suffering in similar circumstances. In fact, it has kept itself in the dark about any of the impacts of the major reforms to sanctions introduced since 2012. The time is long overdue for the Government to assess the evidence and then have the courage of its reform convictions to say, where it is right to do so, 'this policy is not achieving its aims, it is not working, and the cost is too high: We will change it.'*

## 5. Attendance Allowance

### Age for claiming Attendance Allowance is changing

Amendments to the [Social Security Contributions and Benefits Act 1992 para 64 \(1\)](#) have changed the age that people claim Attendance Allowance. Instead of being entitled to Attendance Allowance from the age of 65 it now says

**64.—(1)** *A person shall be entitled to an attendance allowance if he has attained pensionable age,*

State Retirement age is now 65 for both men and women but will be gradually increasing for both men and women from 6<sup>th</sup> November 2018 to:

- 66 for men and women born between 6<sup>th</sup> September 1954 and 5<sup>th</sup> March 1960;
- gradually to 67 for people born between 6<sup>th</sup> March 1960 and 5<sup>th</sup> April 1977; and
- 68 for everyone born after 6<sup>th</sup> April 1977.

This means that people over 65 who are still under pension age will be able to claim Personal Independence Payment instead of Attendance Allowance. Use the state retirement age [calculator](#) to work out the age for claiming AA.

## 6. Benefit Uprating for 2019/20

Justin Tomlinson the Parliamentary Under Secretary of State for Family Support, Housing & Child Maintenance, has [announced](#) the proposed benefit rates for 2019/20 which will come into force the week beginning 8<sup>th</sup> April 2019.

Additions for disabilities and benefits for carers, will be increased by 2.4%; Retirement Pension/New State Pension will increase by 2.6%; guarantee Pension Credit by 2.5% and savings Pension Credit by 2.4%. All other benefits will be frozen at current rates as there will be no increase until 2020.

The Carer's Allowance earnings limit will be increased from £120 to £123 a week from April 2019 (which is still less than 16 hours at the National Living Wage).

Work Allowances for Universal Credit will also be increase for families with dependent children and people with disabilities.

Higher work allowance (no housing amount)	2018/19	2019/20
One or more dependent children or limited capability for work	409.00	503.00

Lower work allowance (no housing amount)	2018/19	2019/20
One or more dependent children or limited capability for work	198.00	287.00

## 7. Pension Credit

### Allowances for children

From 1<sup>st</sup> February 2019 parents or guardians who qualify for Pension Credit and are not already receiving Child Tax Credit will be able to claim an additional amount of Pension Credit for their child. See Memo [DGM 14/18](#)

### Take up

The DWP has published [statistics](#) that show only 6 in 10 people who are entitled to PC are claiming the benefit. If you need to check entitlement use [www.turn2us.org.uk](http://www.turn2us.org.uk)