



# Benefits Newsletter December 2016

## 1. Benefit Underpayments and Potteries Gold News

The DWP has published the latest [Fraud and error in the benefit system](#) statistics which estimate just 1.9% of the total benefit bill was overpaid due to fraud and error.

However the DWP also reports that underpayments of benefits increased from 0.9% of the total benefit expenditure in 2014/2015 to 1% in 2015/2016, amounting to an estimated £1.7 billion in underpaid benefits. In Stoke-on-Trent the amount of underpaid benefits is estimated to be around £100m, as benefits such as Pension Credit, Housing Benefit and Working Tax Credit are not claimed because people do not think they would be entitled to them.

**Potteries Gold** has recently been awarded a further 3 year's funding by the Big Lottery and is looking for Community Champions who will help to let people in their communities know about benefits they may be missing out on. If you are interested in becoming a PG Champion contact Sarah Honeysett, [sarah.honeysett@snsCab.org.uk](mailto:sarah.honeysett@snsCab.org.uk).

## 2. Personal Independence Payment

### Problems with PIP

Thanks to everyone who responded to the survey asking for information about the recent increase in the numbers of people needing assistance with PIP application forms. It is clear from this that the number of complaints about PIP have also increased. James Ibbs the DWP Partnership Support Manager has asked organisations to prepare a report outlining details of problems they have been experienced with PIP **since October 2016**. Please send your report to [tina.mendolia@snsCab.org.uk](mailto:tina.mendolia@snsCab.org.uk) and she will pass it on to James Ibbs.

### Statistics

The DWP have published the [PIP statistics](#) up to the end of October 2016. The number of PIP registrations for the period up to the end of October in North Staffordshire has increased from around 400 a month up to the end of August to 1,291 in September and 1,659 in October 2016. This explains the recent increase in demand for assistance in completing PIP forms. The majority of these are DLA to PIP reassessments.

Month	Aug-16			Sep-16			Oct-16		
	Reasse ssment	Not Reasse ssment	Total	Reasse ssment	Not Reasse ssment	Total	Reasse ssment	Not Reasse ssment	Total
Stoke-on-Trent UA	69	223	292	578	235	819	822	214	1030
Newcastle-under-Lyme	25	62	83	226	66	291	293	63	356
Staffordshire Moorlands	14	51	61	143	39	181	226	48	274
<b>Total</b>	105	333	442	946	343	1291	1339	325	1659

The statistics also showed that by the end of October 2016, 48 per cent of disability living allowance (DLA) reassessments for personal independence payment (PIP) have led to benefit being disallowed or reduced.

526,500 DLA reassessment claims for PIP had been cleared in Great Britain of which -

- 110,000 (21 per cent) resulted in a disallowance after the assessment;
- 120,700 (23 per cent) led to a reduction in benefit;
- 62,900 (12 per cent) resulted in an unchanged amount of benefit in payment;
- 19,500 (4 per cent) were disallowed before the assessment; and
- 209,600 (40 per cent) resulted in an increased benefit award.

**Mandatory Reconsiderations** 80 per cent of PIP mandatory reconsiderations cleared up to October 2016 resulted in no change in the award. Of the only 15% of reconsiderations or decisions relating to new PIP claims (normal rules) and only 22% of reassessed DLA mandatory reconsideration resulted in a change in award.

### **Motability Cars**

During the [Westminster Hall Debate](#) on ESA and PIP, the Minister for Disabled People Penny Mordaunt has announced that the Government plans to extend access to Motability to claimants not in receipt of enhanced rate mobility component.

She also announced that the Government is considering plans to allow personal independence payment (PIP) claimants to keep their Motability vehicle until they know the outcome of their appeals she said.

## **3. ESA**

### **Statistics**

The DWP has published the latest [ESA Statistics](#) which the number of people placed in the Support Group has continued to fall, from 39% to 33% of for new claimants, and from 74% to 61% of people being reassessed. In the previous quarter the number of new claimants placed in the Support Group fell from 56% to 39%.

#### **New claims – initial decisions April 2016 to June 2016:**

- 51% of claimants were entitled to Employment and Support Allowance. Within this –
  - 18% of claimants were placed in the Work Related Activity Group, and
  - 33% of claimants were placed in the Support Group;
- 48% of claimants were assessed as Fit for Work – increase of 3 per cent points

#### **Repeat WCA outcomes April 2016 to June 2016:**

- 84% of claimants were entitled to Employment and Support Allowance. Within this
  - 24% of claimants were placed in the Work Related Activity Group, (increased from 11%)
  - 61% of claimants were placed in the Support Group; (decreased from 74%)
- 15% of claimants were assessed as Fit for Work.

#### **Mandatory Reconsideration Outcomes October 2016**

Only 11 per cent of the 16,600 mandatory reconsiderations of ESA assessments resulted in revision and only 4% of those disputing a fit for work decision. However, 58 per cent of appeals against initial fit for work decisions in the quarter to September 2015 were overturned.

#### **Incapacity Benefit to ESA Statistics**

	<b>WRAG</b>	<b>Support Group</b>	<b>Either group</b>	<b>Fit for Work</b>
<b>Stoke-on-Trent</b>	32%	41%	73%	27%
<b>Newcastle-under-Lyme</b>	31%	46%	77%	23%
<b>Staffs Moorlands</b>	28%	51%	79%	21%

## Abolition of the Work-Related Activity Component

The Work-Related Activity Component is to be abolished for new ESA and UC claimants from April 2016. There has been concern expressed that existing ESA claimants will feel reluctant to try to return to work as they will be worse off if they have to return to ESA because of their health problems. The Minister for Disabled People, Work and Health Penny Mordaunt has stated, in a [written reply](#) to a Parliamentary question, that the Government will 'aim' to protect existing ESA claimants who are receiving the WRA component who try out work and return to the benefit.

## 4. Universal Credit

### [Latest UC Stats](#)

The latest statistics published by the DWP show that 420,000 people were on the Universal Credit caseload across the UK, as of 10<sup>th</sup> November 2016. Of these 170,000 (41%) were in employment.

In North Staffordshire there are currently 1,997 UC claimants on the UC caseload whose claim for UC has been awarded; this is an increase of just one person since October 2016. The numbers in employment are higher than the national average.

Local Authority	New Claims 20 <sup>th</sup> Oct – 10 <sup>th</sup> Nov 2016	Caseload 10 <sup>th</sup> Nov 2016		
		Total	Not in empl	In empl
Stoke-on-Trent	146	641	568 (46.9 %)	1,210
Newcastle	67	318	272 (45.6 %)	597
Staffs Moorlands	18	104	91 (48.1%)	189
<b>Total</b>	<b>231</b>	<b>1066 (53.3%)</b>	<b>931 (46.7%)</b>	<b>1,997</b>

45.06% of claimants on the UC caseload in North Staffordshire are under 25; this is a slight increase from 44.6% in October 2016. The number of under 25s in employment has increased from 381 in October to 428 (47.5%) in November.

Under 25s	Not in employment	In employment	Total*
Stoke	292	251	541
Newcastle	140	138	276
Moorlands	48	42	83
<b>Total</b>	<b>477</b>	<b>428</b>	<b>900</b>

In November 2106 there were 164 claimants (8.21%) who had in-work conditionality and were expected to be looking for better paid work; a 14.6% increase from October.

Conditionality Regime	Searching for work	Working – with requirements	No work requirements	Working – no requirements	Planning for work	Total *
Stoke-on-Trent	766	97	21	324	8	1210
Newcastle	374	48	13	156		597
Staffs Moorlands	117	16	8	52	7	189
<b>Total</b>	<b>1257</b>	<b>164</b>	<b>40</b>	<b>525</b>		<b>1997</b>

\*Figures in these tables have had statistical disclosure control applied to avoid the release of confidential data. Totals may not sum due to the adjustments.

## 5. Council Tax Support

The New Policy Institute (NPI) has published a report ['Have cuts to Council Tax Support in England led to rising council tax arrears?'](#), which finds that Council tax arrears in 2015/16 have increased by 13% and admin costs by 35% since local council tax support schemes were introduced in 2013.

The research also found that in areas where local authorities retained the former Council Tax Benefit Scheme which pays up to 100% of the Council Tax there was decrease in uncollected tax of £10.6m. Whereas in the 53 local authorities which have Council Tax Support schemes with a minimum payment of more than 20% (Stoke has a 30% minimum) there were an additional £45m in uncollected Council Tax and in the 76 such as Newcastle Borough which have a 20% minimum payment there was an additional £27.7m in uncollected tax.

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