



## Benefits Newsletter July 2016

### 1. Brexit

#### Benefit Rights for EEA Nationals

The European Union leaders announced on 24th June 2016 that the changes to our membership of the EU which were agreed in February will no longer apply.

*'As agreed, the 'New Settlement for the United Kingdom within the EU', reached at the European Council on 18 to 19 February 2016, will now not take effect and ceases to exist. There will be no renegotiation.'*

This will mean that the previously agreed changes to limit benefit entitlements to workers from the EU will no longer apply. If these changes had been applied they would have restricted the rights of EU workers to claim non-contributory in-work benefits until 4 years after starting employment, and restricted rights of workers to export child benefits. <http://www.consilium.europa.eu/.../24-joint-statement-uk-ref.../>

However the restrictions which were introduced in 2014 and 2015 still apply, these are:

- Most EEA nationals (includes EU, Iceland, Norway, Lichtenstein and Switzerland) cannot receive any income-based JSA, Child Tax Credit or Child Benefit until they have been living in the UK (or Common Travel Area) for 3 months. (From 1st Jan 2014);
- Income-related JSA can only be paid to EEA jobseekers for 6 months after which they need to show they have 'genuine prospect of work'. However if they have recently entered the UK or Common Travel area as a jobseeker. they will not be able to receive any IB-JSA for the first 3 months of their claim so they will only receive IB-JSA for 3 months.
- EEA jobseekers who are entitled to income-based JSA are no longer able to claim for Housing Benefit after 1st April 2014. This does not apply to EEA nationals who have a different 'right to reside' in the UK: e.g. someone has former worker status.

For more detailed information see

<https://www.citizensadvice.org.uk/benefits/coming-from-abroad-and-claiming-benefits-the-habitual-residence-test/eea-nationals-and-the-habitual-residence-test/eea-nationals-claiming-benefits-as-a-jobseeker/>

#### Rights of EU and EEA Migrants since Brexit

There has been some confusion over the implications of Brexit upon the rights of EU and EEA migrants currently living and working in the UK with some reports of employers who have removed employment rights such as rights to receive the Living Wage. The rights of EU and EEA migrants to live work and claim benefits in the UK can only be changed after the UK formally leaves the EU and makes new laws which change these rights. The Government made the following statement on 11<sup>th</sup> July, <https://www.gov.uk/government/news/statement-the-status-of-eu-nationals-in-the-uk>

## 2. New Ministerial Team at the DWP

The new PM Theresa May has appointed a new ministerial team at the DWP with only Lord Freud keeping his current position. We have no indication yet if there are any plans for further welfare reforms. If you wish to know more about each Minister click their name below to view their voting records (source: theyworkforyou.com).

[Damian Green](#) MP - Secretary of State for Work and Pensions;

[Lord Freud](#) - Minister of State for Welfare Reform

[Penny Mordaunt](#) MP - Minister of State for Disabled People Work and Health

[Damian Hinds](#) MP - Minister of State for Employment

[Richard Harrington](#) MP - Parliamentary Under-Secretary for Pensions

[Caroline Nokes](#) MP - Parliamentary Under-Secretary for Welfare Delivery

## 3. Universal Credit

### Roll-out of UC

Secretary of State for Work and Pensions Damian Green has announced delays in the roll-out of UC during 2017/2018. The new plans is for:

- five Jobcentres a month up to June 2017;
- 30 Jobcentres a month from July 2017;
- following a break over the summer, 55 Jobcentres a month between October and December 2017;
- 65 Jobcentres a month from February 2018; and
- the final 57 Jobcentres in September 2018.

The following Jobcentres will go live in February 2017 Corby, Southampton, Newcastle East, Warrington and Poplar and March 2017 Hinckley, Dalkeith, Newcastle West, Penicuik and City Tower. There are also changes to the Scottish sites due to roll out in November 2016.

The managed migration of existing benefit claims will not now start until July 2019 (previously mid 2018) and is scheduled to complete in March 2022 (previously 2021).

He also mentioned four further changes to welfare reforms:

- new claims for universal credit from families with more than two children will be redirected to tax credits until November 2018 - families already on universal credit who have a third child after April 2017 will remain on universal credit and receive two child elements;
- the removal of the higher rate of child element for the first child in universal credit will only apply where the first child is born after 6 April 2017, aligning the treatment of families within universal credit to that in tax credits;
- the incorporation of housing benefit for pensioners into pension credit will not begin until the completion of the universal credit timetable, in order to give greater certainty to local authorities; and
- the regulations on treatment of surplus earnings and self-employed losses will not now be implemented until April 2018 (originally April 2016 and previously delayed to April 2017).

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-07-20/HCWS96/>

## Latest UC Stats

The latest statistics published by the DWP show that 279,315 people were on the Universal Credit caseload across the UK, as of 15<sup>th</sup> June 2016. Of these, 113,868 (40.77%) were in employment and 165,442 (59.23%) were not in employment.

In North Staffordshire the figures of UC claimants have continued to steadily increase since UC was introduced in Stoke on 1<sup>st</sup> February 2016. In Stoke-on-Trent there were 490 claims for UC between 19<sup>th</sup> May and 7<sup>th</sup> July 2016 and there are currently 680 UC claimants on the UC caseload whose claim for UC has been awarded; this has increased from 569 in May 2016 (19.5% increase).

| Local Authority  | New Claims<br>19 <sup>th</sup> May – 7 <sup>th</sup> July 2016 | Caseload 15 <sup>th</sup> June 2016 |                  |             |
|------------------|----------------------------------------------------------------|-------------------------------------|------------------|-------------|
|                  | Total                                                          | Not in emp                          | In emp           | Total*      |
| Stoke-on-Trent   | 490                                                            | 398                                 | 284 (42%)        | 680         |
| Newcastle        | 127                                                            | 272                                 | 198 (42%)        | 473         |
| Staffs Moorlands | 76                                                             | 70                                  | 57 (46%)         | 124         |
| <b>Total</b>     | <b>693</b>                                                     | <b>737 (57%)</b>                    | <b>542 (43%)</b> | <b>1279</b> |

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

45.5% of claimants on the UC caseload in North Staffordshire are under 25 – decreased from 47% in May 2016

| under 25s               | Not in employment | In employment | Total      |
|-------------------------|-------------------|---------------|------------|
| Stoke-on-Trent UA       | 187               | 119           | 303        |
| Newcastle-under-Lyme    | 127               | 98            | 222        |
| Staffordshire Moorlands | 36                | 19            | 59         |
| <b>Total</b>            | <b>349</b>        | <b>240</b>    | <b>582</b> |

<https://www.gov.uk/government/statistics/universal-credit-29-apr-2013-to-7-jul-2016>

For link to interactive map see <http://dwp-stats.maps.arcgis.com/apps/Viewer/index.html?appid=82116e01690d4e8584014362d67900c6>

## 4. Personal Independence Payment

### PIP Assessment Guide

The DWP has updated the PIP Assessment Guide which is used by assessors as guidance when awarding points. Pages 92-121 of the guide give guidance to assessors on how the descriptors should be interpreted, many of the changes in the guide relate to whether it is reasonable to expect a claimant to use aids to carry out the activity even if they do not normally use these aids.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/519147/PIP-assessment-guide.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/519147/PIP-assessment-guide.pdf)

These interpretations do not form part of the legislation so are open to challenge at Tribunal, e.g. on page 104 it states that for dressing chairs or beds are no considered to be an aid if the claimant needs to sit to dress, however a recent Upper Tribunal decision stated that a chair could be considered to be an aid

<http://www.ossccsc.gov.uk/Aspx/view.aspx?id=4689>

## PIP Consultation

The DWP is carrying out a second independent review of the PIP assessment process to evaluate the progress made since the report of first review was published in December 2014. Paul Gray chair of the Social Security Advisory Committee has been appointed to carry out the review and the terms of reference say they will be looking at:

- the use of IT and speed and effectiveness of the information gathering process during the assessment, looking at data sharing within the Department and across government, including the way information gained from the PIP assessment is shared with other organisations to improve health and care services;
- how effectively further evidence is being used to assist the correct claim decision, exploring the balance between the amount and type of evidence the Department sources and what the claimant is asked to provide; and
- building on the recommendations and lessons learnt from the first review using, where relevant, findings from the evaluation and 'Full PIP Rollout' data.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/534681/terms-of-reference-pip-second-independent-review.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/534681/terms-of-reference-pip-second-independent-review.pdf)

The **call for evidence period** began on Monday 11th July 2016 and **runs until Friday 16th September 2016 at 5pm**. If you have any service users or clients who would like to respond to this or wish to respond as an organisation to this see

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/536899/pip-second-independent-review-call-for-evidence.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/536899/pip-second-independent-review-call-for-evidence.pdf)

For an online form which contains the questions see

<http://survey.dwp.gov.uk/index.php?sid=63591&lang=en>

## 5. Attendance Allowance

The Government has published a consultation paper in relation to its plan to pass responsibility for attendance allowance to local councils.

The consultation - which closes on 26 September 2016 - considers the commitment by central government to allow councils to retain 100 per cent of business rates (compared to the current system of 50 per cent) and sets out a list of responsibilities which could be funded through retained business rates, including attendance allowance.

To respond to this consultation see <https://www.gov.uk/government/consultations/self-sufficient-local-government-100-business-rates-retention>

## 6. ESA Statistics outcomes of Work Capability Assessments

### New claims – initial decisions October 2015 to December 2015:

- 63% of claimants were entitled to Employment and Support Allowance. Within this –
  - 8% of claimants were placed in the Work Related Activity Group, and
  - 55% of claimants were placed in the Support Group;
- 37% of claimants were assessed as Fit for Work

### Repeat claim outcomes October 2015 to December 2015:

- 84% of claimants were entitled to Employment and Support Allowance. Within this
  - 8% of claimants were placed in the Work Related Activity Group, and
  - 77% of claimants were placed in the Support Group;
- 16% of claimants were assessed as Fit for Work.

## Appeals rulings relating to claims starting from January 2015 to March 2015

- 35% of fit for work decisions are appealed
- 46% were upheld after challenge
- 54% overturned after challenge.

<https://www.gov.uk/government/statistics/esa-outcomes-of-work-capability-assessments-claims-made-to-sep-2015-and-appeals-to-mar-2016>

## 7. UN Human Rights Report

On 28<sup>th</sup> June 2016 the United Nations Committee on Economic, Social and Cultural Rights published a report on the impact of welfare reforms and austerity measures in the UK and has concluded that they breach the UK's international human rights obligations. There has been no response from the DWP to this report so far.

See <http://www.centreforwelfarereform.org/news/uk-in-breachhuman-rights/00287.html>

For a full list UNCESCR recommendations see <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G16/152/41/PDF/G1615241.pdf?OpenElement>

## 8. Missing Millions Campaign

The DWP has published new statistics on the number of benefits which are unclaimed. In total the DWP estimates that there was £13billion of unclaimed income-related benefits in 2014/15. Which we estimate is about £50m in unclaimed benefits in Stoke-on-Trent alone.

- Only 5 out of 10 people who are entitled to income-related JSA are receiving it which means up to £2.4 billion of available JSA (IB) went unclaimed
- Only 6 out of 10 people who are entitled to Pension Credit are receiving it; up to £3.1billion of available Pension Credit was unclaimed.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/535362/ir-benefits-take-up-main-report-2014-15.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535362/ir-benefits-take-up-main-report-2014-15.pdf)

If you know of anyone who may be missing out on their entitlements to benefits there is have an easy to use benefit calculator on the Citizens Advice website see.

<https://www.citizensadvice.org.uk/benefits/benefits-introduction/what-benefits-can-i-get/>

## 9. Benefit Payments by Bitcoin

The DWP is trialing payment of some benefits by using the virtual currency 'Bitcoin' via a mobile phone app, to help claimants with budgeting. There are lots of concerns about security and also what happens to the data the app collects about purchases made. Some commentators are concerned that this technology may develop further to will enable the DWP to apply sanctions on claimants who use the Bitcoins to purchase cigarettes and alcohol.