



Benefits Newsletter September 2015

It has been a quiet month for welfare news in comparison to July and August – here are the most interesting bits.

1. Mortality Statistics

On 27th August the DWP has published the long awaited mortality statistics which show the number of out-of-work working age benefit claimants who died whilst in receipt of the benefit.

The hope was that through these statistics we would be able to identify the numbers of claimants receiving ESA who have died as a result of failing a Work Capability Assessment or as a result of being placed in the ESA Work-Related Activity Group; it was also hoped that we would be able to identify the numbers of claimants who had died as a result of a benefit sanction. However the figures are very general and just show number of deaths rather than cause of those deaths, so they need be used with caution; the DWP warns

'Information cannot be used as evidence to support a link or otherwise between mortality and benefit receipt'

The statistics show that

- during the period December 2011 and February 2014 2,380 people died after their claim for employment and support allowance (ESA) ended because a work capability assessment (WCA) found they were found fit for work;
- there were 50,580 ESA claimants whose claim ended as a result of their death between December 2011 and February 2014, Of those 50,580 -
 - 7,540 were in the assessment phase;
 - 7,200 were in the work-related activity group;
 - 32,530 were in the support group; and
 - 3,320 were unknown.
- 2,017,070 individuals who received a work capability assessment (WCA) decision between 1 May 2010 and 28 February 2013, of these 40,680 (2 per cent) died within a year of that decision;

<https://www.gov.uk/government/statistics/mortality-statistics-out-of-work-benefit-claimants-march-2003-to-february-2014>

<https://www.gov.uk/government/statistics/mortality-statistics-esa-ib-and-sda-claimants>

2. Welfare Reform and Work Bill 2015

The Bill will be considered by the House of Commons Public Bill Committee which will meet for the first time on 10th September 2015 and the committee stage is expected to end on 15th October. The Committee is able to receive written evidence about the impact of the bill.

If you have any evidence you wish to send in see.

<http://www.parliament.uk/business/news/2015/july/have-your-say-on-the-welfare-reform-and-work-bill/>

3. Tax Credits

The Tax Credit (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015 were published on 7th September and will be discussed in Parliament on Tuesday 15th September. It contains the following amendments which will come into force on 6th April 2016.

- The **WTC earnings threshold** will be **reduced from £6,420 pa to £3,850 pa**.
- The **CTC income threshold** will be **reduced from £16,105 pa to £12,125 pa**
- The **taper rate** used to reduce tax credit entitlement if income above the threshold will be **increased from 41% to 48%**. This will mean if your income is above £3,850 a year your maximum tax credit entitlement will be reduced by 48p for every £1 your income is above the threshold.
- The **income rise disregard is to be reduced to £2,500**. At present if claimants have an increase in income of less than £5,000 in a year, this increase is disregarded when calculating tax credit entitlements. Decreasing this disregard to £2,500 will lead to decreases in entitlement and increased overpayments.

The one change that was not mentioned in the Budget was the reduction in the Child Tax Credit threshold. This will affect claimants who are not working enough hours to claim WTC and have a gross income of more than £232.53. Income for TC purposes can either be from earnings or from receiving one of the following benefits: contributory ESA, contributions-based JSA, Carer's Allowance or Bereavement Allowance. One group who will be affected by this change are Carers who are working part-time and earning under £110 a week and are receiving Carer's Allowance and have a partner receiving contributory ESA (support group) who will lose up to £1910.40 a year in Child Tax Credit.

<http://www.legislation.gov.uk/ukdsi/2015/9780111138946>

4. Personal Independence Payment

PIP Assessment Guide

The new version of the PIP Assessment Guide was published on 28th July 2015 and it includes new guidance for assessors on how to interpret the descriptors (pages 92-121). This is not a change in law but some of the changes have incorporated recent changes in case law on PIP. To access the whole guide go to

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/449043/pip-assessment-guide.pdf

PIP Roll-Out

The DWP is continuing the roll-out of PIP to existing claimants all the ST postcode areas were included in the roll-out in July 2015 – to see the latest list see

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/455684/timetable-for-pip-replacing-dla.pdf

5. Lone Parent Sanctions

43,800 sanctions were imposed on lone parents receiving Income Support between April 2014 and March 2015 which is 6% of claimants. This is an increase of 0.4% from the previous year. The statistics show that

- 652,400 Income Support lone parent work-focused interviews were carried out;
- 43,800 sanctions imposed on Income Support lone parent claimants on 39,600 individual claims which means some claimants were sanctioned more than once.

<https://www.gov.uk/government/statistics/income-support-lone-parent-regime-data-to-march-2015>