# Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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## Changes to help with funeral costs

People on certain means tested benefits like Income Support or Universal Credit can get some help towards funeral costs they may be responsible for. Here is a list of changes from 2 April 2018:

- Supporting evidence for a funeral payment application can be made electronically
- The time for claiming a payment is extended from 3 to 6 months, and
- The contributions from charities, friends and relatives towards the cost of the funeral from the payment will now be ignored
- A shorter application form for children's funerals
   More on the <u>Funeral Expenses Payment</u> scheme and detailed guidance in <u>DMG</u>
   Memo 3/18 and <u>ADM Memo 7/18</u>

## April 2018 and other benefit changes

Just a reminder that we have described several important benefit changes in the last two Benefit Bulletins. Here's some of them:

- Seven waiting days in Universal Credit removed
- Improvements to Universal Credit advance payments
- Two-week continuation of Housing Benefit for new Universal Credit claimants
- New Council Tax Reduction scheme
- Mortgage help becomes a loan
- Universal Credit earnings limit introduced for Free School Meals
- The government announced that the rule stopping housing costs in Universal Credit for some 18-21 year olds was to be removed. At the time of writing, no date had been set to withdraw this rule.

You can see our earlier Benefit Bulletins on our <u>web page for professionals and volunteers</u> and a <u>timeline of the main benefit changes</u> via our web page <u>Changes to the benefits system.</u>

## **Universal Credit and disability**

Disability Rights UK have produced a <u>useful guide</u> for people with a disability and Universal Credit such as the work-related requirements, earnings and income, extra amounts that may be payable, education and housing costs.

## Track your PIP appeal online

Being able to track their Personal Independence Payment appeal online is the first in other developments to more online access.

More details from Disability Rights UK

## Request your personal information from the DWP

The government have set up a system where you can get a copy of the information that is held about you.

More details from <u>Disability Rights UK</u> and the <u>government</u>.

## **Recording of PIP and ESA assessments**

In its <u>response to a Parliamentary Committee</u> the government says it is looking into the recording of such assessments as a standard part of the process, along with other improvements to the Personal Independence Payment and Employment and Support Allowance medical assessment.

## Two-child limit – new kinship care and adoption exception

The two-child limit was introduced in April 2017. It limits the amount of Child Tax Credit and Universal Credit to an amount for two children. Several exceptions apply.

Following a recent court case, the <u>government have said</u> that it will extend the exceptions to kinship carers and adoptive parents.

Child Poverty Action Group (CPAG) had argued that the two-child limit was unlawful. The court allowed the argument on 'kinship care' but not on the wider challenge. CPAG are looking to challenge this further.

More details on the two child limit in our webpage 'Changes to benefits for children, families and young people' and benefit changes timeline and CPAG webpage on the two child limit and the court challenges.

## 'Find a Job' replaces 'Universal Jobmatch'

This is the new government online service to help jobseekers find a job. Please note that existing Universal Credit Jobmatch accounts will not move to this new service and claimants will have to set up a new account.

Here is the link to the Find a Job website and the DWP press release

#### **Newcastle West Jobcentre closure**

As reported previously, the DWP plan to close Condercum House Jobcentre Plus office on the West Road. This was due to happen some months ago but there is no definite date. We will keep you informed of changes and support in future Benefit Bulletins and our other communications.

## **News from the Department for Work and Pensions**

The DWP produce <u>Touchbase</u> – news for advisers and intermediaries. The latest includes information on:

- Improved 'Mandatory Reconsideration' process which is where you ask the DWP to reconsider their decision
- Access to Work grants increased (up to £57,200 a year) for people who are disabled or have a physical or mental health condition
- Improved DLA for children claim form
- The new <u>Understanding Universal Credit</u> website "to help people find out what Universal Credit means for them"
- Work and Health Programme rolled out across England and Wales
- New Personal Independence Payment claim guidance videos
- A reminder of the 'tell us once' service when someone dies

Also, see the <u>useful benefit information</u> on gov.uk.

## Top tips - benefit advice corner

Some simple advice about avoiding benefit problems and helping people get their correct benefit entitlement.

#### Mortgage interest change – claimants not getting in touch

As reported in earlier Benefit Bulletins, the Support for Mortgage Interest (SMI) that you got with some means tested benefits stopped and changed into a loan in April. By April, only 70% of existing recipients had been successfully contacted to discuss their options.

The top tip here is that if you know someone who was getting SMI under the old rules, they need to get advice. They may not choose to take up the offer of the loan but they should think about it and the consequences.

More details and advice on our webpage: <u>Changes to housing related benefits</u>, guidance from the Money Advice Association: <u>Government help if you can't pay your mortgage</u>. For trusted financial advice, the local website InformationNow has this useful page called <u>Getting advice about your finances</u>.

#### Universal Credit claims closing when they shouldn't be

There are many things you have to do in order to claim Universal Credit but some claims are failing because of some simple specific reasons

Recent figures show that 1 in 5 of Universal Credit claims were closed due to 'non-compliance with the process' because they failed to:

- book an interview with the Jobcentre Plus Work Coach soon after submitting their online claim
- attend the interview with the Work Coach
- state on their online 'journal' that they accepted the Claimant Commitment within 7 days

#### What can you do if the claim fails?

If the claim has closed down, you will be told this has happened and a journal note is added to that effect. You can ask the Jobcentre to reconsider their decision, explaining why you didn't provide the information or do the action required. After that you can appeal. A professional may be able to help with this.

Othwerwise, you are faced with the prospect of having to make a new claim. The best you can do then is ask for your claim to be backdated but you need to prove there was a valid reason for delay.

The above figures are from the DWP statistics <u>Universal Credit: 29 April 2013 to 8</u> March 2018 and a reply to a recent Freedom of Information request

#### **People are not claiming their Council Tax Reduction**

Some people do not realise that to get help with their Council Tax they **must** claim Council Tax Reduction and are getting into arrears with their Council Tax bill.

Council Tax Reduction is separate from Universal Credit and is not paid automatically. You have to apply for it.

Please remind people you work with to claim this benefit.

**To claim Council Tax Reduction** go to the webpage <u>Council Tax Reduction</u> or the <u>specific online claim form</u> or ring 0191 278 7878, open 8am to 6pm from Monday to Thursday and 8am to 4.30pm on Friday.

The scheme from April 2018 has been simplified. This webpage explains the rules.

#### You may not have to claim Universal Credit

We have heard of people who are on the benefits that are being replaced by Universal Credit (called 'legacy benefits') being told they have to claim Universal Credit – sometimes wrongly. For some, this has also mean they have seen a reduction in their benefit income.

Some people are better off claiming Universal Credit and some are not. And for some, there is no choice but to claim Universal Credit but for some there is a choice.

Just because you are on 'legacy benefits' and live in a Universal Credit area, you only have to claim Universal Credit when a certain change in circumstances occurs. Otherwise you can remain on your 'legacy benefits'. We have produced a table which lists some common changes circumstances and whether a claim has to be made or not.

If you have been told to claim Universal Credit, please check whether you have to, check the Universal Credit website and you can also contact an advice service.

For more information, see the table <u>Here is a list of those main circumstances which trigger a claim to Universal Credit</u> which is on the webpage: www.newcastle.gov.uk/universalcredit-moredetail

For advice please see the webpage: <a href="https://www.newcastle.gov.uk/benefitcontacts">www.newcastle.gov.uk/benefitcontacts</a>

#### **Move from Tax Credits to Universal Credit properly**

When someone on Tax Credit claims Universal Credit they will probably need to 'finalise' their Tax Credits awards correctly in order to avoid problems. More details from revenuebenefits.org.uk on <a href="Universal Credit: finalizing Tax Credit claims">Universal Credit: finalizing Tax Credit claims</a> and <a href="Tax Credits: The annual cycle">Tax Credits: The annual cycle</a>

## **New Universal Credit e-learning module**

We are pleased to announce the new 'Introduction to Universal Credit' module which is now available for you to use as a tool to help your understanding of how to help residents claiming Universal Credit, alongside the other information we provide on our Universal Credit web page. The module can be accessed by both Newcastle City Council and non- Council staff. Please go to our web page for instructions: www.newcastle.gov.uk/financialinclusionforprofessionals

#### Windrush - fast track

In answer to a question in Parliament, the DPW minister Alok Sharma said "DWP has set up a dedicated team to confirm residence in the UK for those people who have engaged with the Home Office in order to apply for leave and have never received the necessary documentation to confirm they qualify. DWP has also arranged a fast-track service into the Home Office Task Force to swiftly confirm the status of Windrush cases who are unable to provide documentation in support of their benefit claim."

In an <u>earlier debate</u>, the then Home Secretary Amanda Rudd announced that Jobcentres have been told they should not have their benefits stopped. "I have already put in place instructions to be sent to jobcentres to ensure that they also have an awareness of this cohort, so that when they might have been considering stopping people's benefits because they do not have the papers that is changed."

Guidance was issued to local authority benefit staff on 4 May

## **Jobcentre Plus Support for Schools evaluation**

This scheme was rolled out in 2016 and aimed to offer:

- 12 to 18 year old pupils insight into the world of work and advice on options like traineeships and apprenticeships; and
- work experience opportunities so that young people can gain direct insights into what potential employers are looking for.

A recent evaluation suggested the scheme should concentrate more on those at risk of becoming not in education, employment or training (NEET)

See the <u>Evaluation of Jobcentre Plus Support for Schools programme: National rollout evaluation</u> from gov.uk and the initial DWP press release <u>Jobcentre Plus support</u> rolled out to schools

## Impacts, statistics, research and reports

#### **Welfare Reform**

In their report <u>'The cumulative impact of tax and welfare reforms'</u>, the Equality and Human Rights Commission have said that due largely to welfare reform such as the freeze in working age benefits, disability benefit changes and Universal Credit reductions:

- an extra 1.5 million children will be in poverty
- the child poverty rate for those in lone parent households will increase from 37% cent to over 62%
- households with three or more children will see particularly large losses of around £5,600 a year
- households with at least one disabled adult and a disabled child will lose over £6,500 a year, more than 13% of their annual income

- Bangladeshi households will lose around £4,400 a year, in comparison to white households, or households with adults of differing ethnicity, which will only lose between £500 and £600 on average
- lone parents will lose an average of £5,250 a year, almost one-fifth of their annual income and
- women will lose about £400 per year on average, while men will only lose £30.

#### **Carers Allowance cliff edge**

Parliament's Work and Pensions Committee called on the government to remove the 'cliff edge' that sees Carers Allowance withdrawn in full when the carers earns more than £120 a week. Read the summary and full report.

#### **Universal Credit**

In Newcastle, there were 15,521 people on Universal Credit in April 2018. That's a 141% increase in one year. You can find more on the DWP webpage: <u>Universal Credit statistics</u>.

#### **Personal Independence Payment**

<u>Disability Benefits Consortium report</u> following a survey of over 1700 people with long-term conditions including Parkinson's, multiple sclerosis, epilepsy and mental health problems

#### The benefit cap

The benefit cap is a limit to the total amount of certain benefits a person can receive. Latest DWP data shows that at February 2018 in Newcastle, 414 households were capped, 100 were on Universal Credit, 314 were on Housing Benefit and 59 were capped over £100 per week. Your Homes Newcastle and Active Inclusion Service Money Matters team have contacted and advised around 368 people affected by the cap.

#### **Sanctions**

A <u>five year academic study</u> of the experience of sanctioned claimants has been published, which concludes that welfare conditionality fails to prompt 'behaviour change' or provide meaningful improvements to job prospects or work outcomes in most claimants. Just before this was published, Parliament's <u>Work and Pensions Select Committee</u> had started taking evidence on people's experience of benefit sanctions.

# Stop press – important Personal Independence Payment decision involving people with chronic conditions needing regular monitoring or medication, such as diabetes and epilepsy

Two claimants won their Personal Independence Payment (PIP) appeals. The DWP withdrew its appeal. Here is some information and implications from the <u>firm</u> who represented the two claimants:

"The appeals concerned the meaning of Daily Living Activity 3, 'Managing therapy or monitoring a health condition', before amendments were made to it in March 2017. The government had been arguing that 'therapy' excluded treatment which consisted of the monitoring of health and administration of medication. For example, one of the claimants in these cases was a person with type 1 diabetes and unusual sleep patterns, who needed someone to watch over him at night, sometimes administering insulin or glucose while he slept, to avoid diabetic coma and death. The [tribunal] had decided he qualified for PIP. The government had argued in the appeal that he should be awarded only 1 of the minimum 8 points necessary to qualify for PIP."

The firm go onto say that:

"As a result of withdrawing her appeals, the SSWP has accepted that ... she will now need to review past claims relating to this descriptor, to identify other claimants who may have been underpaid. The government has not yet given any details of when or how that process will be carried out, or how many claimants it expects to be affected."

## Further support, information and training

For more information on benefit changes, see our web page <u>Changes to the benefits</u> system which includes a timeline of the main benefit changes.

More details about benefits can be found on <u>our welfare rights and money advice web pages</u>, including the benefits mentioned above, benefit self-help factsheets and 'Where to get advice in Newcastle'.

This benefit bulletin was written by the Active Inclusion Service at Newcastle City Council. It is provided bi-monthly and at times of important benefit changes and news. It is as accurate as possible at the time of writing. The bulletin is part of the Active Inclusion Newcastle support to professionals, which includes 'Introduction to benefits' training. You may also be interested in the Debt bulletin which is produced quarterly. For more details, see our web page for professionals and volunteers.

We also produce a weekly **Active Inclusion Newcastle e-bulletin** which provides a brief update on financial inclusion and homelessness prevention issues. If you want to receive this, or for more details, email <a href="mailto:activeinclusion@newcastle.gov.uk">activeinclusion@newcastle.gov.uk</a>