

# Big benefit changes and news

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## Here are some significant benefit changes taking place and some important news

This benefit bulletin has been produced by the Active Inclusion Newcastle Unit, Newcastle City Council

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## Universal Credit in Newcastle

### Roll out

Following several pilots, the partial roll out of Universal Credit continues across the country at various dates. From early spring 2015, **new claims** from **single jobseekers without children** living in **Newcastle** will be taken as a claim for Universal Credit if their income is low enough. *We will let you know the specific date and details as soon as it is confirmed.*

The Government aim is that over the next few years, Universal Credit will fully replace these six means tested benefits: Income Support, Income based Jobseeker's Allowance, Income related Employment and Support Allowance, Child Tax Credits, Working Tax Credits and Housing Benefit – for people under [Pension Credit age](#). All other benefits will remain.

### Support under Universal Credit

Part of the Universal Credit approach is for the Department for Work and Pensions (DWP) to work in partnership with Local Authorities and other organisations to support those who for various reasons cannot manage the responsibilities of the new benefit. The DWP working title for this arrangement was the Local Support Services Framework. It is now known as Universal Support Delivered Locally (USDL). Our approach to developing our USDL is to test what the best way is to support Newcastle residents when Universal Credit is both introduced here and widened out to a range of residents with differing support needs. To help us to do this we will be trialling a structured common triage process for identifying and responding to those who need additional help to make and manage a Universal Credit claim. For more information on the informal trial contact Claire Horton [claire.horton@newcastle.gov.uk](mailto:claire.horton@newcastle.gov.uk)

**More information about Universal Credit** can be found on these websites: [Newcastle City Council](#), the [Government](#) and [Citizens Advice](#).

## Personal Independence Payment claims and delays

Personal Independence Payment (PIP) and Disability Living Allowance (DLA) are benefits paid to people who have care or mobility needs. PIP is replacing DLA for people aged over 16. In our area, this is only the case for new claims. The earliest that existing DLA claimants will have to claim PIP instead is October 2015.

There are long delays in many PIP decisions [with many struggling](#) as a result. If the delay is with the DWP, claimants can phone their PIP enquiry line on 0845 850 3322 or 0345 850 3322. If the delay is with the medical assessment provider, which is presently ATOS, claimants can phone them on 0300 3300 120 or email: [PIPcustomerservice@atos.net](mailto:PIPcustomerservice@atos.net) and a copy of the email should be sent to [customer-relations@atoshealthcare.com](mailto:customer-relations@atoshealthcare.com). See the [ATOS website](#) for more details.

For more details, see our web page '[Changes to benefits for people with care or mobility needs](#)' and the Government's [PIP toolkit for partners](#).

## Further benefit restrictions for European Economic Area migrants

Since January 2014, European Economic Area (EEA) nationals whose only right to reside in the UK was as a jobseeker could only claim Income based Jobseeker's Allowance (JSA) for six months and for some time after that if they have evidence that they have a genuine prospect of work. **This six month period has been reduced to 91 days from 10 November 2014.** Plus, new migrants must already have had three months residency in the UK. The 91 day reduction also applies to Child Benefit and Child Tax Credit. A claimant who has resided in the UK for more than three months prior to the date of claim will still only receive JSA for 91 days.

The [Autumn Statement](#) has just announced that **from February 2015, the 'genuine prospect of work' test will be applied to those EEA migrants who are on the above benefits before the recent changes.** If they cannot satisfy the test they will see their benefit and the right to reside as a jobseeker ended.

There are exceptions and benefit may be payable for longer, such as 'retained workers' who are involuntarily unemployed and people with a permanent right of residence are not subject to time limits.

For more information see the [Government internal guidance on this change](#), the [explanation behind the new rules](#) and the Citizens Advice website pages: [EEA nationals - claiming benefits as a jobseeker](#) and [Coming from abroad and claiming benefits](#). See also the [guidance on exemptions from the 3 months residence requirement](#).

For earlier changes and more information, see the [July and September benefit bulletins](#) and also the report and recommendations on the [impact of April's Housing Benefit restrictions to EEA migrants](#).

## Carers and benefits

A carer may be able to claim Carer's Allowance if they care for 35 hours a week for someone getting either Attendance Allowance (AA), or the middle or higher rate of Disability Living Allowance or the daily living component of the new Personal Independence Payment (PIP). The carer must not be earning more than a certain amount (see below).

Carers should also seek advice before claiming Carer's Allowance as it may affect other benefits, including those of the person they care for.

The **earnings limit for Carer's Allowance** increases from £102 a week to £110 from April 2015.

**Claim it in time.** Once the disabled person's Attendance Allowance (AA) or PIP is awarded, the carer must claim the Carer's Allowance within three months in order to make sure it is also backdated to the date of the AA or PIP claim.

**Claim it online.** The [DWP have launched](#) a 'new and improved' [online claim service for Carer's Allowance](#). The paper claim form continues to be available by phoning the DWP Carer's Allowance Unit: 0345 608 4321.

## Employment and Support Allowance changes

### MAXIMUS to replace ATOS for Work Capability Assessments

From March 2015, the North American company MAXIMUS will replace the French company ATOS to carry out the ESA medical assessments, called the “Work Capability Assessment” (WCA) but it might take them “[12 to 18 months ... to catch up on the waiting times](#)”. See the [Government press release announcing the change](#) and see the [ATOS website for details about the assessment and customer services](#).

### Fit for work support

[MAXIMUS](#) will also operate a [revised occupational health assessment and advice service](#) that [GPs can refer patients to](#) which aims to help people return to or stay in work after an illness.

### Changes to the WCA

The Government have [announced](#) a number of pilots and changes to the WCA. For example from April 2015:

- Jobseekers who expect to be sick less than 13 weeks to stay on JSA rather than switch to ESA, and
- Preventing ESA basic assessment rate being paid for those who make a repeat claim when they have been found fit for work, unless they have developed a new condition or their condition has changed.

At the same time, the [fifth independent review of the Work Capability Assessment](#) was published, which proposes a fundamental overhaul of the process to which the Government will respond before the end of this Parliament.

## Shared parental leave and pay

New rules will allow couples to share maternity and adoption leave and pay for new babies or adoptions that are due on or after 5 April 2015 – called Shared Parental Leave and Statutory Shared Parental Pay. More details from the [Telegraph](#), the [Guardian](#) and [Government](#).

## Recovery of Tax Credits overpayments

Tax Credit awards can now be reduced to repay overpayments from previous claims. The amount recovered will not be more than 25% of their current Tax Credit payments and existing arrangements to repay their debts will not be affected by this change.

Details from [DWP Touchbase article](#) and advice from [Revenuebenefits](#) website.

## New pensions statement service

In preparation for the new [Retirement Pension in April 2016](#) and related changes, the Government have introduced a [State Pension calculator](#).

## Work related activity, sanctions and how to avoid them

If a claimant does not comply with various work related requirements, their JSA can be stopped from four weeks to three years, and for those on the sick, ESA can be reduced until the claimant complies and then for a set period after that.

### Sanction statistics and reports

Like the rest of the country, Newcastle has seen a rapid increase in ESA sanctions. In the first half of 2013 there were 223 'adverse' sanctions and in the first half of 2014 there were 767 adverse decisions. This is probably due to the new ESA measures introduced in December 2012.

The [Joseph Rowntree Foundation](#) has looked into the intended and unintended consequences of sanctions, and found for example that they are disproportionality affecting young people under 25, homeless people and other vulnerable groups. See also their '[Monitoring Poverty and Social Exclusion](#)' report, which in considering various indicators "tells the definitive story of how the UK's economic recovery is affecting people in poverty, and reveals dramatic changes in who is most at risk compared to ten years ago".

In their report "[Food for Thought](#)" the YMCA said that of the 5,000 young people they referred to a food bank, they believe 79% is as a direct result of delays in benefit payments and sanctions.

### Avoiding benefit sanctions – workshops and information

Newcastle City Council and Jobcentre Plus are working together to help reduce sanctions. For example, we

- Have developed a **joint leaflet**, which is available at the bottom of the Council's '[Benefits information](#)' [web page](#) and
- Are holding quarterly '**preventing sanctions workshops**'. The next one is on **Tuesday 9 December**, 9.15am – 12 noon, Byker Community Fire Station. The event is free but please book ahead by emailing [Active Inclusion Newcastle](#).

To be notified of future events please email [angie.smith@newcastle.gov.uk](mailto:angie.smith@newcastle.gov.uk) giving your name, email address, phone number and organisation.

### For more detailed guidance on work related requirements and sanctions

See the [Government's web page on recent sanction rules](#), and the DWP Decision Makers Guidance on:

- [JSA labour market questions, sanctions and hardship payments](#) and
- [ESA work focused interviews, work related activity, sanctions and hardship payments](#).

## Benefit announcements in the Autumn Statement

Highlights include:

- Welfare spending will remain within the national cap and working age benefits will be frozen “for 2 years.”
- Universal Credit changes include increased help with childcare costs from 70% to 85% from April 2016, ability to keep existing assessment period if returning to Universal Credit within 6 months and work allowances will be frozen until April 2018.
- EEA migrants will see more restrictions – as described above.
- Increasing the earnings limit for Carer’s Allowance in April 2015 – as already announced above.
- Improving national insurance contribution rules for households that employ care and support workers
- A 2.5% (£2.85 per week) rise of Retirement Pension and Pension Credit element from April 2015 in line with the ‘triple lock’ policy.
- Reducing benefit fraud, error and debt such as reducing Tax Credits payments mid-year to prevent a build-up of potential overpayments, tightening eligibility rules for the self-employed claiming Tax Credits and working with the private sector to improve debt collection.
- The [New Enterprise Allowance](#) scheme will be extended to ESA or JSA partners who want to start their own business.

For further details of the Autumn Statement including the costings of these and other previously announced changes, such as the additional health-care professionals, see the [Autumn Statement website](#).

### Further information and help

Can be found on [Newcastle City Council’s welfare rights web pages](#) including the benefits mentioned above, where to get advice in Newcastle, benefits self-help factsheets and changes to the benefits system.

Also see the DWP’s [Touchbase](#) for news.

This benefit bulletin was written in **December 2014** by the Active Inclusion Newcastle Unit, Newcastle City Council. It is provided bi-monthly and at times of important benefit changes and news. It complements the weekly Active Inclusion Newcastle e-bulletin which provides a brief update on financial inclusion and homelessness prevention issues. For details email: [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)