



Benefits Newsletter September 2016

1. Benefit Cap Reduction

The DWP has published the Benefit Cap legislation which confirms that from 7th November 2016 the total amount of benefits a family can receive will be reduced from £26,000 a year (£500 a week) to £20,000 a year, (£384.62 a week) in areas outside Greater London.

For single people without children the amount is being reduced from £18,200 a year (£350 a week) to £15,410 a year (£296.35 a week).

This will affect families with 3 or more children who are currently receiving Housing Benefit or Universal Credit.

For example

Dave and Mandy have 3 children and Dave was made redundant in July. Their current income is

Jobseekers Allowance	£114.85
Child Tax Credit	£170.03
Housing Benefit	£85.00
Child Benefit	£48.10
Total	£417.98 plus Council Tax Support of £12.74

When the benefit cap is reduced to £384.62 a week their Housing Benefit will be reduced by £33.36 week to £51.64.

The DWP will be writing to all claimants likely to be affected by the new cap from 19th September. The new cap will be phased in over a 12 week period from 7th November.

Further Exemptions

Two new exemptions from the benefit cap will be added from 7th November 2016. The benefit cap will not apply where the claimant, the claimant's partner or a young person for whom the claimant or the claimant's partner is responsible, is entitled to either

- carer's allowance (including underlying entitlement¹) or
- guardian's allowance.

See <http://www.legislation.gov.uk/ukxi/2016/909/made> and [HB General Information Bulletin G9/2016](#)

2. Tax Credits Concentrix

HMRC has decided not to renew Concentrix's contract to carry out investigations of Tax Credit claims, once it expires in May 2017. This announcement follows a number of recent high profile cases including a woman who had her tax credits stopped because they were insisting a dead 74 year old man was actually her undeclared partner. For more information see <http://www.bbc.co.uk/news/business-37356646>

¹ Claimants cannot normally receive both CA and another 'earnings replacement' benefit such as State Pension because of overlapping benefit rules. If the other benefit is more than £62.10 they will be awarded an 'underlying entitlement' only.

The Treasury Minister Jane Ellison also has stated that HMRC is no longer passing cases to Concentrix and has redeployed 150 HMRC staff to help to resolve issues with claims. She also said that claimants who have been contacted by Concentrix *'should contact the number on the letters they have received. I am aware that there have been problems getting through on the phone in recent weeks, and have tested it out for myself. We are putting in additional resources to allow Concentrix to focus on answering the phones and dealing with outstanding cases ...'*

She also added that there are around 2,500 Mandatory Reconsideration cases which are still outstanding and they are putting in place additional resources to clear the backlog.

<https://hansard.parliament.uk/commons/2016-09-14/debates/16091429000001/TaxCreditsConcentrix>

Tax Credits Case Law

A recent Upper Tribunal decision has ruled that Tax Credit claimants have always been able to make a late appeal against decisions made by HMRC. This decision reverses previous case law which held that late appeals were not possible in the period between 2008 and 2014, and means that thousands of claimants may now be able to have refusals to admit their late appeal reconsidered.

<http://www.osspsc.gov.uk/Aspx/view.aspx?id=4917&utm>

3. Housing Benefit for Supported Housing

The Works and Pensions Secretary Damian Green has announced that that people living in supported housing will not have the Local Housing Allowance rules applied to the maximum amount of housing benefit they can receive, until 2019/20. He also added that the Shared Accommodation Rate of Local Housing Allowance will not apply to people living in supported housing.

They are intending to introduce a new funding model from 2019/20; core rent and service charges will continue to be paid at LHA levels by Housing Benefit or Universal Credit. However, the additional costs of supported housing will no longer be paid by Housing Benefit or UC, but instead 'an amount of funding' will be devolved to local authorities in England to disperse locally. (Wales and Scotland will have different arrangements) There will be a consultation on these proposals shortly.

See <https://www.gov.uk/government/news/new-funding-model-for-supported-accommodation>

4. Universal Credit

Latest UC Stats

The latest statistics published by the DWP show that 324,058 people were on the Universal Credit caseload across the UK, as of 11th August 2016. Of these 133,718 (41%) were in employment.

In North Staffordshire the numbers of new claims for UC have continued to decrease. In Stoke-on-Trent there were 376 claims for UC between 14th July and 1st September, a decrease of 18.8%. There are currently 1,656 UC claimants on the UC caseload whose claim for UC has been awarded; this has increased from 1,484 in July 2016 (up 11.6%).

Local Authority	New Claims 14 th July– 1 st Sept 2016	Caseload 11 th August 2016		
	Total	Not in emp	In emp	Total*
Stoke-on-Trent	376	505	460 (47.4 %)	970
Newcastle	147	295	225 (43 %)	521
Staffs Moorlands	13	84	82 (50.3%)	163
Total	536	862 (52%)	770 (46.4%)	1,656

44.80% of claimants on the UC caseload in North Staffordshire are under 25; this is a decrease from 45.5% in July 2016. The number of under 25s in employment has increased from 280 in July to 346 in August; an increase of 23.57%.

under 25s	Not in employment	In employment	Total*
Stoke-on-Trent	221	202	425
Newcastle	129	112	241
Staffs Moorlands	44	32	77
Total	398	346	742

*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.

The DWP has also published the number of UC claimants who are subject to a conditionality regime. There are 110 claimants who have in-work conditionality and are expected to be looking for better paid work.

Conditionality Regime	Search ing for work	Working – with requirements	No work requirements	Working – no requirements	Planning for work	Total
Stoke-on-Trent	645	56	13	252	6	970
Newcastle	341	37	13	130	..	521
Staffs Moorlands	104	16	6	41	..	163
Total	1,091	110	27	422	8	1,656

<https://www.gov.uk/government/statistics/universal-credit-29-apr-2013-to-1-sept-2016>

5. ESA Statistics

The DWP has published the latest ESA Statistics which show a drop in the number of people entitled to ESA after their initial assessments from 63% to 54%. There was also a drop in the number placed in the Support Group from 55% to 39% of claimants.

New claims – initial decisions January 2016 to March 2016:

- 54% of claimants were entitled to Employment and Support Allowance. Within this –
 - 15% of claimants were placed in the Work Related Activity Group, and
 - 39% of claimants were placed in the Support Group;
- 46% of claimants were assessed as Fit for Work

Repeat WCA outcomes January 2016 to March 2016:

- 84% of claimants were entitled to Employment and Support Allowance. Within this
 - 11% of claimants were placed in the Work Related Activity Group, and
 - 74% of claimants were placed in the Support Group; (decreased from 77%)
- 15% of claimants were assessed as Fit for Work.

Mandatory Reconsideration Outcomes July 2016

Only 4 per cent of the 13,200 mandatory reconsiderations of fit for work assessments resulted in revision

Incapacity Benefit to ESA

	WRAG	Support Group	Either group	Fit for Work
Stoke-on-Trent	32%	40%	73%	27%
Newcastle-under-Lyme	31%	45%	76%	24%
Staffordshire Moorlands	29%	50%	79%	21%

<https://www.gov.uk/government/statistics/esa-outcomes-of-work-capability-assessments-including-mandatory-reconsiderations-and-appeals-september-2016>

6. Personal Independence Payment

New website for advice on completing PIP forms

LASA has published a new website which has to assist agencies to complete PIP applications including relevant case law. See <http://pipinfo.net/#conditions>

PIP statistics up to 31st July 2016

- the average clearance times for new claims (normal rules) was 11 weeks
- 48% of new claims resulted in a PIP award and 73% of DLA reassessment claims resulted in a PIP award.
- In Stoke-on-Trent 44% of new claims and 73% of DLA reassessed claims resulted in a PIP award. In Newcastle Borough 50% of new claims and 75% of DLA reassessed claims resulted in a PIP award. In Staffordshire Moorlands 50% of new claims and 73% of DLA reassessed claims resulted in a PIP award.

Mandatory Reconsideration

- 15% of Mandatory Reconsiderations on new claims led to a change in the award
- 22% of Mandatory Reconsiderations for DLA to PIP cases led to a change in the claimant's award (down from 24%)
- in over 60% of reconsiderations the decision was unchanged

<https://www.gov.uk/government/statistics/personal-independence-payment-april-2013-to-july-2016>

7. Social Security Appeal Statistics

- The number of social security appeals in the quarter to June 2016 increased by 21 per cent compared to the same period last year.
- 16,463 PIP claims were considered at First-tier Tribunal; 65% were successful.
- 14,878 ESA claims were consider at FTT; 60% were successful.

<https://www.gov.uk/government/statistics/tribunals-and-gender-recognition-certificate-statistics-quarterly-april-to-june-2016>

8. Disability Benefits and Carer's Allowance changes for Refugees

The DWP decided not to appeal an Upper Tribunal decision CLDA/528/2015 which found that the 'past presence test'² discriminates against refugees, and has issued new guidance advising decision makers that the 'past presence test' is no longer to be applied to claims for Disability Living Allowance, Attendance Allowance, Personal Independence Payment and Carer's Allowance submitted by refugees and their families. Cases which have been awaiting the outcome of this appeal will now be awarded and backdated to 17th March 2016 or the date of entitlement if that is later.

See [DMG Memo 20/16](#) and [ADM Memo 21/16](#)

9. Attendance Allowance Review

Joseph Roundtree Foundation

JRF has published a report 'Disability and poverty in later life' in response to proposals for the changes to funding of care and changes to AA. They found that only just over 1 in 8 recipients of DLA/AA is receiving any local authority care.

<https://www.jrf.org.uk/report/disability-and-poverty-later-life>

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² This rule states that claimant must have been present in Great Britain (which for this purpose also includes Northern Ireland) for 104 weeks out of the 156 weeks before claiming (two out of the last three years) and they must be habitually resident