

Big benefit changes and news

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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3 months wait for Child Benefit and Child Tax Credit for new migrants

From 1 July 2014, new European Economic Area (EEA) migrants who are not working will **normally** have to live in the UK for 3 months before they can get Child Benefit and Child Tax Credits. From then, they will receive those benefits – if entitled – for 6 months but after that will have to be working or have genuine prospects of finding work. This change, which applied to Jobseekers Allowance from January 2014, is in [regulations](#) and in a [press release](#).

There may be exceptions such as for those classed as workers, self-employed people and others. **See appendix for extra advice.**

Benefits to end for some EEA migrants from 1 July 2014

Additional text in blue added 1 Sept 2014

From 1 July 2014, European Economic Area (EEA) migrants who have been claiming **income based Jobseekers Allowance** (JSA) for 6 months *and whose only right of residence during that time has been as a jobseeker or as a person retaining worker status during involuntary unemployment* will have to provide to Jobcentre Plus 'compelling evidence' they have a genuine chance of employment. Government guidance says this means a written job offer. If so, they may have their JSA extended for 3 months till the job starts. If not, their JSA will stop. This rule was brought in 1 January 2014.

It is possible this may be challenged in the courts

What does this mean for Housing Benefit entitlement?

If income based Jobseekers Allowance stops, their passport to receive Housing Benefit also stops. In which case they will then – in most cases - only be able to claim Housing Benefit if they have a job or be self-employed. The work also has to be genuine and effective. This is due to the rule that came in 1 April 2014, where such people could not claim and get Housing Benefit on the basis of receiving income based Jobseekers Allowance. For advice on this, you can contact Lisa Meadows 2115296 or Debbie Wake 2777644 in the Revenue and Benefits section.

There may be limited exceptions to some of the above, such as relying on a family member or being in an exempt category.

In summary: If an EEA citizen who has a right to reside as a jobseeker all this time e.g. before 1/1/2014 and is claiming JSA as a result, then after 1/1/2014 s/he will keep right to reside as a jobseeker for 6 months unless s/he shows compelling evidence. S/he will lose his/her JSA and so lose 'pass-ported' HB.

You can find more details in the DWP guidance [HB Circular A6/2014](#), the [Memo DMG 15/14](#), the legislation [SI. No. 539/2014](#), a [Child Poverty Action Group article](#) and a [DWP press release](#). See also the press release by the [Social Security Advisory Committee](#). There is also information from [Parliament](#) and the [Citizens Advice website](#)

Tax Credit news

- From 31 August 2014, Child Tax Credit claimants [have to notify HM Revenue & Customs \(HMRC\) every August](#) of any children over 16 remaining in further education or their **Child Tax Credits will stop**.
- A [new HMRC customer service](#) for those Tax Credit claimants who may need more help.

Employment and Support Allowance (ESA)

Jobcentre Plus are encouraging people who become incapable of work to make Employment and Support Allowance (ESA) claims by phone because it is quicker and improves communication, including getting text messages on the progress of a claim. The ESA claim line 0800 055 6688 is free from landlines. Some mobile phone operators do not charge for these calls. The text phone number is 0800 023 4888.

Also, [recent statistics](#) show that 73% of ESA claims were successful with 16% placed in the work-related activity group, and 57% in the support group – much higher than estimated. Recent answers to parliamentary questions show that the [clearing time for ESA medical assessments is about 16 weeks](#); and [700,000 people are waiting for ESA assessments](#) .

Proposal to not pay Jobseeker's Allowance (JSA) or Employment and Support Allowance (ESA) for the first 7 days of a new claim

In a [recent consultation](#), which closed on 13 June 2014, the Government propose to make this change from October 2014.

At present, there is a 3 day waiting period for Jobseekers Allowance. If the change is introduced, it means that there will be no entitlement to JSA or ESA for the first 7 days of a claim. For example, Geoff claims ESA on Monday 12 May. Some weeks later, it is decided he is entitled to ESA but it is only paid from 20 May.

Personal Independence Payment (PIP) review

The first independent consultation on the [assessment of PIP](#) has opened – the closing date for submissions is 5 September 2014.

Claim online

Benefits such as [Carers Allowance](#) and the [State Pension](#) can be claimed online.

Relaxed JSA rules for recently homeless people

From 21 July 2014, [new rules](#) means that the JSA requirement to be available and look for work is temporarily relaxed for those who have just become homeless and are suffering a domestic emergency, so long as they are looking for accommodation. Jobcentre Plus Work Coaches (formerly Advisers) have discretion over to whom and for how long it should apply. This is explained in [DWP guidance](#) (PDF).

Work-related benefit requirements: recent news

- A [Department for Work and Pensions \(DWP\) report](#) found that the number of people finding lasting work (which means normally at least 6 months) through the Work Programme has doubled since March 2013.
- A recent freedom of information answer showed that between July and December 2013, [the total number of Employment and Support Allowance adverse sanction decisions more than doubled and over half of the claimants had 'mental health problems'](#).
- Two reports on sanctions north of the border. One from the [Scottish Parliament's Welfare Reform Committee](#) and another from [Citizens Advice Scotland](#)

Zero hours contracts and sanctions

In April, Work and Pensions Minister Esther McVey [said in Parliament](#) that “Jobcentre Plus guidance stipulates that claimants should not be mandated to apply for a job offering a zero hours contract. It also states that no sanction action will be taken if claimants refuse or fail to apply. A person leaving a zero hours contract job will not be sanctioned if they leave that job voluntarily or lose it through their misconduct.”

Although, under Universal Credit, [the Government said](#): “Jobcentre ‘coaches’ would be able to ‘mandate to zero-hours contracts’, although they would have discretion about considering whether a role was suitable.”

Universal Credit updates

- The Resolution Foundation has launched an [expert review into Universal Credit](#).
- See also the Government’s response to a [Parliamentary report](#) on Universal Credit including the continued roll out timing that Universal Credit: “will be fully available in each part of Great Britain during 2016, having closed down new claims to the legacy benefits it replaced; with the majority of the remaining legacy case load moving to Universal Credit during 2016 and 2017.”

Wi-Fi in Jobcentres

Wi-Fi and web access devices are being installed in all Jobcentres by the end of October 2014 – along with a face to face service for those [who need support](#).

Further information and help

Can be found on www.newcastle.gov.uk/welfarerights including 'Where to get advice in Newcastle' and benefits self-help factsheets. In particular, see the '[Changes to the benefits system](#)' page for more information on the main benefit changes.

Also see [Touchbase](#): DWP news for advisers and intermediaries.

This benefit bulletin was written in July 2014 by the Active Inclusion Newcastle Unit, Newcastle City Council. Email: activeinclusion@newcastle.gov.uk. The aim is to provide this bi-monthly and at times of important news.

Appendix – additional information added 1 September 2014 relating to above changes “3 months wait for Child Benefit (CB) and Child Tax Credit (CTC) for new migrants”

We have received this additional guidance. However, please do not treat this as a full explanation of the law. This is a very complex and changing subject. As usually advised, please seek advice if necessary.

- It may be arguable that EEA migrants can use EU aggregation rules to claim CB and CTC earlier than 3 months due to satisfying the 3 month residence period in another EEA country. Therefore it may not be safe to say categorically that an EEA national needs to be in the UK for 3 months before claiming CB and CTC. The safest advice in all cases is to advise EU nationals to apply for CB and CTC as soon as they arrive in the UK and to challenge any refusal. If they have been refused before they have been in the UK for 3 months (challenge the refusal) and re-apply again at the 3 month point.
- If an EEA migrant is claiming CTC and CB because they have a right to reside simply as an EEA Jobseeker then CTC and CB would be payable for 6 months. However after 6 months it is not just if they have right to reside as workers or self-employed that would mean CB and CTC will continue but they could have a right to reside – for example through family members who could be working or because they are the primary carer of a child of a former worker who is in education.