

# Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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let's talk  
money

# Universal Credit

## First pilot roll-out area announced

Universal Credit has rolled out across the country. Normally, anyone making a **new** claim for any of the six 'legacy' benefits that Universal Credit is replacing may have to claim Universal Credit instead, which usually stops any claim to those 'legacy' benefits.

But what about people already on 'legacy' benefits? If they have a change in circumstances which would have meant a claim for another 'legacy' benefit, they will normally have to claim Universal Credit instead and their 'legacy' benefits will stop. The Department for Work and Pensions (DWP) call this 'natural migration.'

There are exceptions to this, such as people in supported or temporary accommodation, when Housing Benefit is still paid, or their 'legacy' benefit includes the 'severe disability premium', where they can't claim Universal Credit.

In January's Benefit Bulletin we explained that the full 'managed migration' of people on 'legacy' benefits has been postponed and instead the roll-out would be piloted from July 2019. The government have announced that [the first pilot area will be Harrogate](#).

The government promise that as part of their support in this pilot, [no one would lose their benefit](#) and unsuccessful claims [would be tracked](#).

See also the Work and Pensions Committee [view on 'natural migration'](#) after hearing from various social policy groups and its [report on the treatment of disabled people under Universal Credit](#) and the government response.

## Back payment for severely disabled people who lost under 'natural migration'

As reported in previous Benefit Bulletins, the government have protected people entitled to the Severe Disability Premium from not allowing claims to Universal Credit – from 16 January 2019. But what about those who claimed before then and dropped down to a lower amount of Universal Credit? The government have [promised](#) back payments in the future.

Also see a recent [House of Commons briefing on Universal Credit and the Severe Disability Premium](#).

## Universal Credit monthly payment period error – High Court ruling

Universal Credit income is assessed and then paid monthly. This has caused problems where, for example, people paid four weekly have had two payments in a Universal Credit month period and none the next, which has meant no Universal Credit payment. The High Court has found this method of assessing earned income unlawful. See the [judgement \[2019\] EWHC 23 \(Admin\)](#) and the report by the [law firm who took the case](#).

The [government have said](#) that, where this occurs, adjustments will be made so this does not happen.

See also a [House of Commons briefing](#) on Universal Credit assessment periods and earned income.

## Contribution based Employment and Support Allowance and Universal Credit – improvements

Income related Employment and Support Allowance (ESA) has been replaced by Universal Credit but not contribution-based ESA. Many people have experienced difficulties trying to claim contribution-based ESA in Universal Credit areas. Advisers have been calling for a straightforward process and guidance that is consistently applied.

[DWP Touchbase](#) reported that, since December 2018, the “DWP has improved the Interactive Voice Recognition options given to people who call the Universal Credit telephone number. People who want to claim only contribution-based ESA (called [new style ESA](#)) will be connected to a dedicated team who will email them a UCESA1 claim form. The team will also email the provider agent contact in the appropriate Jobcentre, who will contact the claimant and book the new style ESA only appointment”.

### How to contact a Universal Credit claimant’s case manager

Touchbase also advises that “If you need to contact a Universal Credit claimant’s case manager on their behalf, you should have the following information about the claimant before you call:

- the telephone number the claimant has registered with Universal Credit
- the first line of their address
- their postcode
- their date of birth
- permission from the claimant for you to act for them

For information about getting a claimant’s permission to contact a case manager on their behalf, read the [Universal Credit consent and disclosure of information](#)”.

### Universal Credit carers’ element to continue for eight weeks after bereavement

Carer’s Allowance continues for eight weeks after the cared for person has died. The DWP has confirmed that this also applies for the carers’ element paid in Universal Credit. See ‘DWP acceptance ...’ on the [Child Poverty Action Group webpage](#).

### Compensation for being wrongly moved to Universal Credit

The DWP have [explained](#) that they have compensated people who they had wrongly advised to claim Universal Credit.

### When you have to claim and when you do not

Please see our updated table on our [more detailed guide to Universal Credit](#), which explains when people have to claim Universal Credit and when they do not, and can remain on their ‘legacy’ benefits.

### Universal Credit statistics: numbers in Newcastle and claim success rate

The latest DWP [data](#) shows by February 2019, 18,885 Newcastle residents on Universal Credit; a 193% increase since April 2017.

A [Parliamentary answer](#) said that “...around 18% [of Universal Credit claims] were closed due to non-compliance with the process, for example failure to sign a Claimant Commitment and failing to provide evidence to support their claim”.

# Personal Independence Payment and Employment and Support Allowance

## Personal Independence Payment and Employment and Support Allowance medical assessments to be 'integrated' (not merged)

To get the disability benefit Personal Independence Payment (PIP), you normally have to undergo a medical assessment with a health professional. The same is true for proving you are incapable of work for Employment and Support Allowance (ESA) or Universal Credit – called a 'work capability assessment.'

See the criteria for these two different tests in the factsheets on our [Benefits Information webpage](#).

The government have [announced](#) that, from 2021, these two tests will be carried out by an integrated service called the 'Health Transformation Programme'. This **does not mean the tests are being merged**, just the service that carries them out. The programme will test whether, digitally, both tests can be carried out at the same time.

## Less Personal Independence Payment reviews for some older people

The government [announced](#) that people on PIP "...who have reached State Pension age will no longer have their awards regularly reviewed, instead moving to a light touch review every ten years".

## The costs of introducing Personal Independence Payment

The [Office for Budget Responsibility](#) reckon that the introduction of PIP has cost more than a continuation of Disability Living Allowance (DLA) would have done. "The government assumed initially that PIP would be fully rolled out by 2015--16 and that it would cost 20% less than DLA would have done. In fact, by 2017-18 it was costing around 15 to 20% more, with rollout only around two-thirds complete."

## Online appeals extended

If you are unhappy with a benefit decision, you can normally ask for a 'mandatory reconsideration'. If you are unhappy with that decision, you can appeal to an independent tribunal.

Since 2018, it has been possible to appeal a PIP decision online. This has been [extended](#) to ESA appeals and will be rolled out to other benefits over the next 18 months. See [Appeal a benefit decision](#) online.

The Tribunal Service also [plan](#) to allow appellants to track their appeals online and receive texts and email alerts on their appeal's progress.

## Appeal statistics

Recent [Ministry of Justice statistics](#) show that over 70% of PIP and ESA appeals are successful.

## Post Office card accounts to be replaced in November 2021

The Post Office card account is a limited account, sometimes used by people who don't have a bank account. The [government plan](#) to replace this with an 'alternative payment service' from 2021.

There is already the [Payment Exception Service](#) for those who do not have or cannot manage a bank account.

## **‘Mixed age’ couples – claim now to avoid less benefit**

Universal Credit is for people of working age. Those above that age are of ‘pension age’ when Pension Credit and pension age Housing Benefit may be claimed. [You can find out your pension age on the gov.uk website.](#)

At the moment ‘mixed age’ couples, where one person is ‘pension age’ and the other person is younger than that, can choose whether to claim Pension Credit and / or pension age Housing Benefit or Universal Credit. Usually, Pension Credit is more generous.

From 15 May 2019 this will change for new claimants. To be entitled to Pension Credit and / or pension age Housing Benefit, both adults will have to be of ‘pension age’. Otherwise, Universal Credit will apply, which could (depending on circumstances) mean less money and being subject to work conditionality.

After 15 May 2019, if a new couple are of mixed age (as described above), they will have to claim Universal Credit. If a mixed age couple were entitled to Pension Credit and / or pension age Housing Benefit since before the change they will have some protection from having to drop down to Universal Credit.

**This means it is very important for mixed age couples to claim Pension Credit and / or pension age Housing Benefit before 15 May 2019.**

Both of these can be backdated for three months, so a claim can be made up to 14 August 2019, so long as the rules were satisfied before 15 May 2019.

For examples, see the two sets of recent DWP guidance [HB Circular A3/2019](#) and [DMG memo 1/19](#).

The DWP are sending letters out to mixed age couples about this but some people think it means they have to claim Universal Credit now – which it does not.

Professionals can get advice from Newcastle Welfare Rights consultancy line (phone 0191 277 2633, Monday to Friday from 10 am to 12 noon).

[There is more information from Age UK.](#) See also the [DWP analysis](#) on the numbers affected and savings.

## **Help for homeless people claiming Universal Credit**

The government [have outlined](#) some of the support that Jobcentres provide homeless people who are claiming Universal Credit. For example:

“Where a homeless claimant requires assistance to complete the initial application process support is available face to face in the Jobcentre” which can provide “digital coaching and helping claimants set up and maintain their Universal Credit claims”.

Jobcentres in England refer claimants considered to be homeless or at risk of homelessness, to the local authority to receive further housing support. The referral is voluntary and there is no impact on the claimant's Universal Credit award if they do not consent to the referral being made.

Additional safeguards in place and support available to assist homeless people in making a claim for Universal Credit include:

- If a person doesn't have a fixed address, they can register their hostel or temporary accommodation as their address, and if they are sleeping rough they can use the address of their local Jobcentre
- A work coach can use other methods to identify a person where someone does not have ID, including the use of biographical questions and third party biographical verification
- Measures are in place to make payments through other methods where someone doesn't have a bank account, including post office card accounts or the Payment Exception Service. Work coaches can also help people through the process of setting up a bank account where appropriate"

Since June 2017 Newcastle City Council has been working in partnership with Newcastle Jobcentres, Your Homes Newcastle and Crisis to earlier identify residents at risk of homelessness. The partnership arrangements, facilitated as part of the Homelessness Prevention Trailblazer, have led to over 600 referrals and a closer working relationship between the partner organisations. This activity is referred to in the government's [Rough Sleeping Strategy](#) on page 61.

Also see the recently published DWP [Universal Credit and Homeless People guides](#).

## **Work conditionality and sanctions**

Benefits like Universal Credit have certain levels of work-related requirements or 'conditionality' ranging from full conditionality to none. Usually, these requirements are included in the Claimant Commitment, which is agreed with the Jobcentre Work Coach at the start of the claim. If people fail to meet those requirements, they may suffer a 'sanction' which is a reduction of benefit for a certain length of time.

### **Consultation on the Claimant Commitment**

This is being carried out [by the Social Security Advisory Committee](#). Deadline for responses is 16 April 2019.

### **Useful Department for Work and Pensions staff and other guidance**

The DWP provide its own staff with guidance on these rules, as follows:

[Advice for decision making \(ADM\) and ADM memos](#) have several chapters and memos on sanctions and work conditionality for Universal Credit and related benefits. For example, Chapter J1 on the Claimant Commitment, J2 on work-related groups, J3 on work-related requirements, K1 on sanctions – general principles and so on.

For example, ADM Chapter J3, from paragraph J3180 lists the reasons when reduced or no work-related requirements should be imposed, including for drug and alcohol dependency.

See also the [Decision Makers Guide](#) on 'legacy' benefits, e.g. Vols 4, 5 and 6.

See also the Disability Rights UK guidance: [Universal credit claimant commitment and Sanctions](#)

## Government plans on sanctions

These were outlined in the government's [response to the Work and Pensions Committee's report on benefit sanctions](#), which referenced the above joint work by Newcastle City Council, Your Homes Newcastle and the local Jobcentres.

Plans include not imposing conditionality on sick claimants until they have their first Work Capability Assessment from Summer 2019, and having a warning instead of a sanction when a claimant fails to attend an appointment

## Work and Pensions Committee inquiry into Universal Credit and survival sex

The Work and Pensions Committee have opened this [inquiry](#) "In response to reports that increasing numbers of people – overwhelmingly women – have turned to prostitution as a direct result of welfare policy changes". The submission deadline is 29 April 2019.

## Domestic abuse specialists for Jobcentres from Summer 2019

To accompany the draft Domestic Abuse Bill, the [government said](#) it will also introduce training for Universal Credit staff.

## Pension Credit adds child amounts from 1 February 2019

As Child Tax Credit is being abolished and replaced by Universal Credit for working age people of working age, older people can claim for children in their Pension Credit.

Similarly, the aim is to include a 'housing credit' to help towards rent but this will not happen until the full Universal Credit roll-out (from 2023 at the earliest).

## Work and Pensions Committee Benefit cap inquiry published

Newcastle City Council, Your Homes Newcastle and others provided evidence for the Work and Pensions Committee's re-opened inquiry into the benefit cap, which has been recently [published](#) and made several recommendations including the government "...take the 82% of households currently affected by the benefit cap that simply cannot escape it, out of its scope".

## Further support, information and training

Useful items for professionals, from [Touchbase: DWP news about work, working-age benefits, pensions and services](#)

Find our earlier Benefit Bulletins on our [web page for professionals and volunteers](#) and for more information on benefit changes, see our web page [Changes to the benefits system](#) which includes a [timeline of the main benefit changes](#)

More details about benefits, including those mentioned above, can be found on [our welfare rights and money advice web pages](#), including benefit self-help factsheets and 'Where to get advice in Newcastle' on the [benefit advice services web page](#)

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 face to face and e-learning modules such as 'Introduction to benefits' and 'Universal Credit'. 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 [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)