

Welfare Reform

An Update for External Stakeholders

Julie Church
DWP Partnership Manager



Department
for Work &
Pensions

Welfare Reform Act

- Most fundamental reforms to the social security system for 60 years.
- Aims for a simpler, fairer benefits system and to ensure that work pays.
- **Universal Credit.**
- **Personal Independence Payment.**
- Employment Support Allowance (ESA) time-limiting.
- **Benefit Cap.**
- Fraud and error penalties.
- Industrial Injuries Disablement Benefit (IIDB) amendments.
- **Social Fund changes.**
- **Housing Benefit changes.**
- Revised Appeals Process.

Timeline 2013 - 2014

April 2013

- Housing Benefit / Local Housing Allowance linked to Consumer Price Index and Social Sector 'Under Occupancy' Regulations.
- Benefit Cap rollout commences.
- Revised appeals process rollout commences.
- Social Fund reform.
- Universal Credit pathfinder starts.
- Personal Independence Payment (PIP) New Claims controlled start.
- Council Tax Benefit abolished - replaced by local schemes.

June 2013

- PIP new claims introduced nationally.

Timeline 2013 - 2014

October 2013

- Reassessment of Disability Living Allowance (DLA) claims begins.
- Universal Credit (phased roll-out begins).
- Entitlement to work requirement for benefit.
- No new In Work Credit or Return to Work Credit awards.

April 2014

- Universal Credit (new in-work claims, plus start transfer of existing out of work benefit claims).
- Incapacity Benefit reassessment complete.

October 2014

- Modified Pension Credit.

Social Fund Reform

From April 2013

- Community Care Grants and Crisis Loans will be abolished with funding transferred to Upper Tier local authorities in England and to the Scottish and Welsh Governments to introduce new Local Welfare Provision.
- Crisis Loans for alignment to benefit and Interim payments of benefit will be replaced by Short Term Benefit Advances (DWP administered)

From October 2013

- Budgeting Loans will be replaced by Budgeting Advances and be paid as part of Universal Credit. (From April 2013 in UC Pathfinder areas).
- Regulated Social Fund (Funeral Payments, Sure Start Maternity Grants and Cold Weather Payments) will continue with Universal Credit as a qualifying benefit.

Benefit Cap

- Limits benefit payments to a household to no more than average household earnings – equivalent to a gross salary of £35,000. Cap excludes one-off payments and non-cash benefits.
- Exemptions for households include recipients of Disability Living Allowance, Attendance Allowance or Industrial Injuries Disability Benefit. War widows / widowers and those in ESA Support Group also exempt.
- Housing benefit paid to households in supported exempt accommodation is being disregarded for the Benefit Cap. Those entitled to Working Tax Credit exempt.
- Roll-out starts in April 2013 in four Local Authority areas with full national roll-out by the end of September 2013. DWP has contacted individual claimants likely to be affected offering support to find work.
- An online calculator is available at www.gov.uk/benefit-cap.

Housing Benefit/Council Tax

- Social Sector Under Occupancy Regulations – A size limit rule is being introduced to Housing Benefit for working age people
- Abolition of Council Tax Benefit to be replaced by Local Schemes. Local Authorities will have to devise a new council tax support scheme for residents on low incomes.

Personal Independence Payment Overview

- Disability Living Allowance (DLA) will be replaced by a new benefit for eligible working age people (16-64) called the Personal Independence Payment (PIP).
- It retains the key features of DLA. It is non means tested and non taxable and payable whether in or out of work.
- More objective assessment process, including a face to face consultation with a health professional for most claimants.
- Regular reviews and an objective assessment will help ensure that support goes to those who most need it.
- Public consultations and input from support organisations helped shape the design and criteria for PIP.

Personal Independence Payment Timetable



- New Claims to PIP from controlled start area



- National rollout of new claims to PIP. DLA will no longer be available to new working age claimants



- Reassessment to PIP starts for fixed period DLA awards coming up for renewal, young people turning 16 or where DLA claimants report a change in their condition.



- DWP will begin selecting existing DLA claimants and tell them what they need to do to claim PIP. We will prioritise DLA claimants who have turned 65 after 8 April 2013, when PIP was first introduced.

Digital Services

- Our aim is for digital to become the main channel to claim benefit and search for jobs. Universal Credit will be our first digital by default service.
- GOV.UK has replaced Direct.gov and Business Link websites.
- JSA Online is now easier to claim on GOV.UK – over 2.5 million people have done so already. 41.9% of all JSA claims were made online in November.
- Over 3.2 million visits made to the online Benefit Adviser Service by August 2012.
- 25,000 State Pension claims made online by November 2012.
- Up to 3 million visits a week to the job search tool on GOV.UK.
- My Benefits Online is a new service which will allow claimants to go online and find answers to common enquiries, check their claims, awards and payments securely.

Universal Jobmatch

- Launched on 19th November 2012.
- Easier and quicker to search for jobs using the very latest technology.

Online users can;

- Create and upload their CV.
- Search and apply for jobs 24 hours a day, 7 days a week.
- Access their personal account anywhere.
- Tailor their own job preferences and receive job alerts when a vacancy arises that meets their requirements.

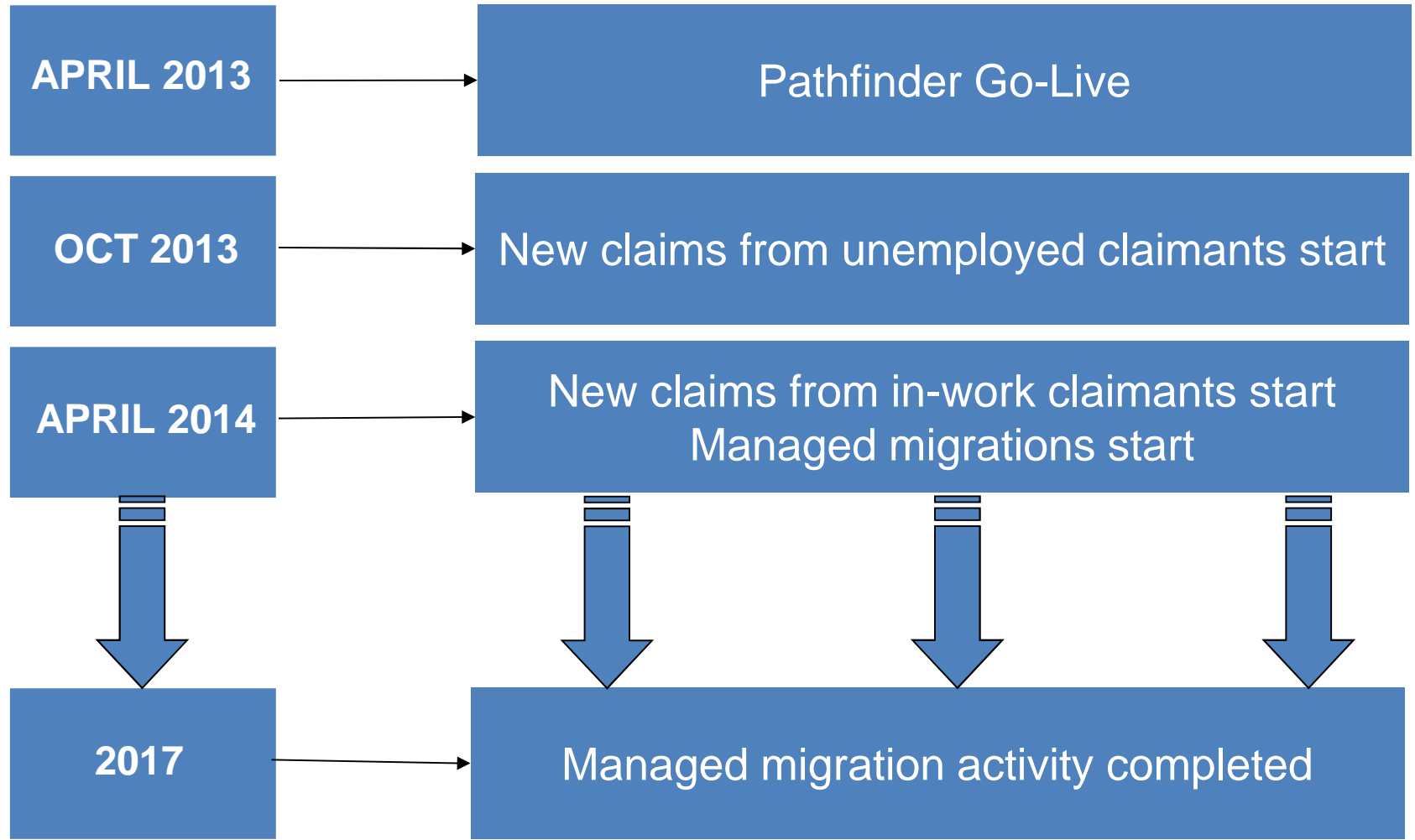
Employers can;

- Upload and manage their own vacancies and receive CVs from those who match the person specification and job criteria.

Universal Credit – Making Work Pay

- Simplifies a complex system.
- Designed to ensure that work will always pay.
- Tackles welfare dependency, poverty and worklessness.
- More help for low income working families.
- Financial security for the most vulnerable in society.
- Improves incentives to increase hours of work.
- Will transform lives and society through work.
- Personalised conditions according to capability and circumstance.
- Introduced in phases from April 2013 through to 2017.

Universal Credit Migration - Key Dates





Any Questions?