

Updated: September 2014
Next update due: December 2014

DWP: Our Reform Story

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DWP: Our Reform Story

Overview slides



Overview (1)

The Reform Story

- As part of the government's long-term economic plan, we are fixing the welfare and pensions systems so they are fair and affordable, to ensure:
 - it pays to work;
 - the most vulnerable – disabled people and pensioners – are protected, and are supported to lead independent lives;
 - it pays to save for retirement, and the pensions system is clearer to understand;
 - separating or separated parents are encouraged and supported to work together in the best interests of their children; and
 - public spending is put on a more sustainable footing.
- Our services are changing to reflect the diversity and complexity of the issues that many people in society face today, requiring more joined-up working across government and beyond.
- We are creating a system based on fairness; it will provide value for money and place greater emphasis on personal responsibility.

“A system that was originally designed to support the poorest in society is now trapping them in the very condition it was supposed to alleviate”

Iain Duncan-Smith,
Secretary of State for
Work and Pensions



Overview (2)

- Our welfare reforms are the most fundamental changes to the social security system for 60 years, aiming for a simpler, fairer benefits system and to ensure work pays.
- Employment must be an aspiration for everyone who is able to work.
- We are reforming the benefits system so instead of trapping people in welfare dependency, it rewards work and, backed by the right support and encouragement, helps people lift themselves out of poverty, and stay out of poverty.
- Our pension system must remain fair and affordable. Our pensions reforms are designed to support people to save for their future and to ensure they can access good quality, value-for-money pensions, whilst continuing to provide security for those in need.
- Our reforms are helping to put public spending on a more sustainable footing. Money needs to be targeted more effectively to ensure that the system is fair to the British taxpayer and people in genuine need of support.



Autumn 2012 - Spring 2013

Reform Timeline

Autumn 2012

12 Local Authority-led Universal Credit pilots began.

November 2012

Universal Jobmatch launched.

Reinvigorating Workplace Pensions published.

All Employment and Support Allowance claimants with a 12 month prognosis began to be mandated to the Work Programme.

Single Fraud Investigation Service initial pilots went live.

January 2013

'Learning the lessons' early findings of Direct Payment Demonstration Projects Report available.

Single Tier State Pensions White Paper published.

Spring 2013

Update Access to Work pre-employment eligibility.

October 2012

GOV.UK went live.

Automatic enrolment began for the largest companies.

State Pension statements introduced, replacing State Pension forecasts.

Access to Work extended to young people on work experience.

Civil penalties introduced.

December 2012

April 2011 Local Housing Allowance changes were fully implemented.

2012 Child Maintenance Scheme opened on a pathfinder basis.

Mobile Regional Taskforce pilots went live in Dundee and Manchester.

February 2013

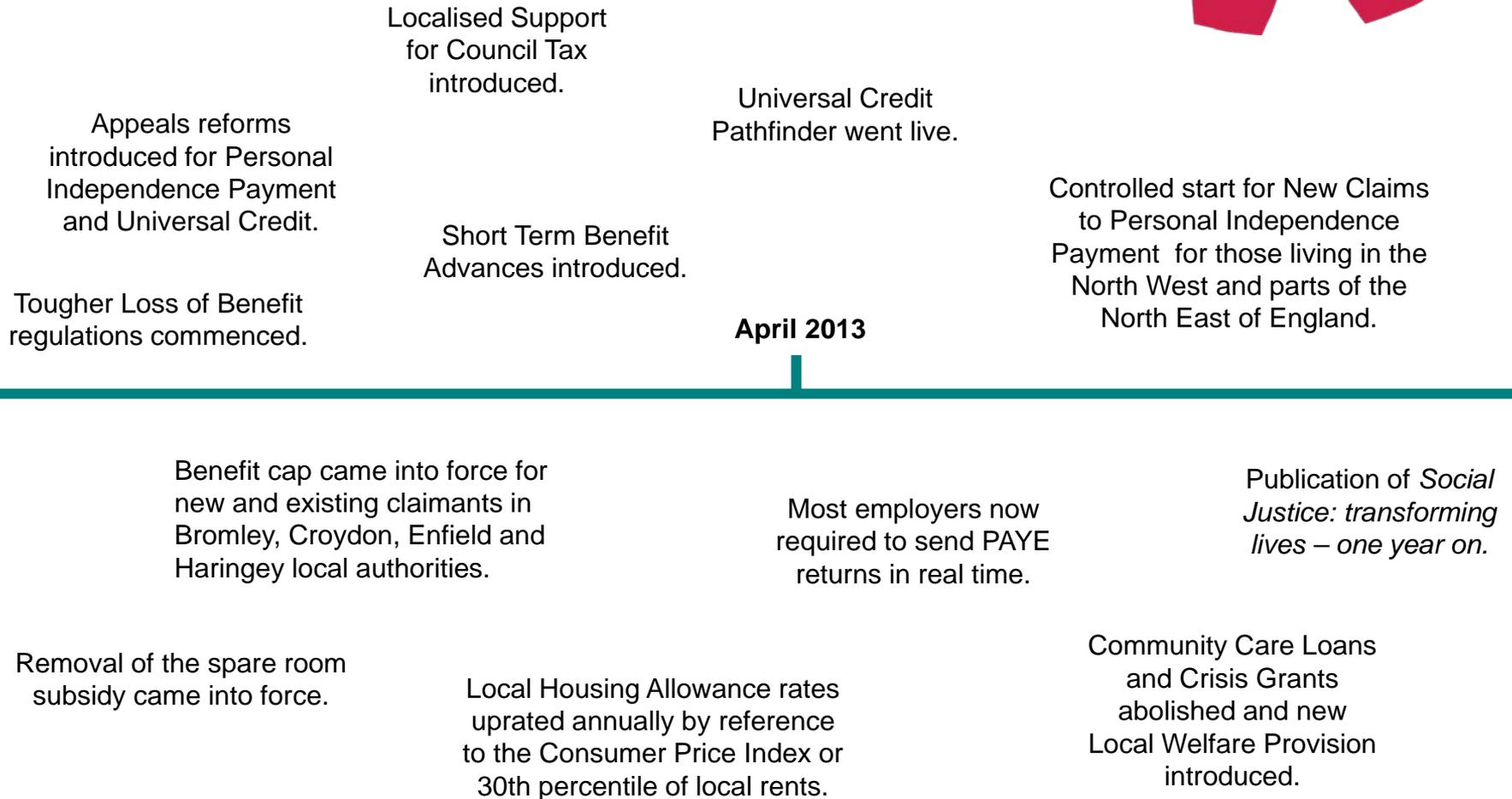
Implementation of stronger Access to Work Triage in operational environment.

Fulfilling Potential: Building Understanding launched.



April 2013

Reform Timeline



May - September 2013

Reform Timeline

May 2013

Pensions Bill, First Reading in Commons

Summer 2013

The first Work Programme claimants finish their 2 years with providers.

September 2013

Results from consultation on mobility component of PIP published.

June 2013

New claims for PIP introduced nationally.

July 2013

Benefit cap implemented in all other local authorities (between 15 July and end of September 2013).

Universal Credit pathfinder expands.

Publication of Fulfilling Potential: Making it Happen, setting out the cross-government disability action plan, outcomes and indicators.

Launch of Disability Confident campaign



October 2013

Reform Timeline

Temporary Accommodation in Universal Credit will have housing costs met in line with Local Housing Allowance rates. An additional management element will be paid as a national flat rate to local authorities.

All employers will be routinely reporting PAYE in real time.

Launch of Social Justice toolkit by the Centre for Economic and Social Inclusion and DWP

Progressive roll out of Universal Credit began with Hammersmith Jobcentre taking new claims

Claimant Commitment rolling out nationally to around 100 Jobcentres a month (to Spring 2014)

October 2013

Pensions Bill, First Reading in Lords

Appeals reforms introduced for all other DWP-administered benefits and child maintenance cases.

Reassessment of existing Disability Living Allowance claims for Personal Independence Payment begins for those that report a change in condition or reach the end of an existing award - for people who live in Wales, East Midlands, West Midlands and parts of East Anglia.

11 in-work conditionality pilots being delivered. Improved digital services rolling out nationally across Jobcentre Plus (from October 2013)



November 2013 – March 2014

Reform Timeline

December 2013

Universal Credit

- Local authority led pilots complete
- Direct Payment Demonstration Projects complete

Publication of Litchfield review into Work Capability Assessment (WCA).

Publication of Disability and Health Employment strategy.

Revised Habitual Residence Test was introduced for face to face interviews in Jobcentres.

February 2014

UC roll out – expansion to Bath and Harrogate taking new claims

November 2013

UC roll out – expansion to Rugby and Inverness

Child Maintenance Service opened to all new applicants

January 2014

Most jobseekers are unable to access income-based JSA until they have been living in the UK for 3 months.

A new 'Genuine Prospect of Work' assessment takes place after six months

Expansion to further areas of reassessment of some DLA claimants to PIP

March 2014

Publication of response to Litchfield review into WCA

Minimum earnings threshold was introduced - to help Decision Makers decide whether an EEA national's work can be treated as genuine in deciding whether they have the right to reside in the UK as a worker or self employed person for benefit purposes.

Consultation on Freedom and Choice in Pensions (ends in June 2014)



April 2014

Reform Timeline

Removal of access to Housing Benefit for EEA Jobseekers, even if they are in receipt of income based JSA.

Help to Work – JSA claimants returning from the Work Programme will go onto one of three intensive modes of support, determined by Jobcentre Plus advisor.

Local Housing Allowance uprating limited to 1 per cent.

April 2014

Automatic enrolment for medium employers (to April 2015).

Spending Review 2013 measures - pre-Work Programme JSA claimants and certain lone parents and responsible carers will be subject to a number of measures which increase conditionality and support.

UC expansion – Shotton taking new claims

Roll out of Claimant Commitment to all British Jobcentres complete



May - September 2014

Reform Timeline

From June 2014

Expansion of Universal Credit to the rest of North West England

UC made available to new claims from couples in number of Jobcentres already delivering UC

July 2014

Launch of Disabled Young People's portal and improved Employer portal on gov.uk

First Genuine Prospect of Work assessments conducted

Treasury response to their consultation 'Freedom and Choice in Pensions'

August 2014

Collection charges are introduced for Child Maintenance Service cases using the 'Collect and Pay' service

May 2014

Pensions Act received Royal Assent

June 2014

Application fees and enforcement charges introduced to Child Maintenance Service, and CSA cases begin to close.

July 2014

Start of implementation of Single Fraud Investigation Service

Publication of final report on LHA monitoring and evaluation research, and interim evaluation of Removal of the Spare Room Subsidy

August 2014

Launch of Accessible Britain Challenge

September 2014

Publication of Fulfilling Potential progress report



October - December 2014



October 2014

Waiting days extended from 3-7 days for new ESA and JSA claims

Start date for Supervised Jobsearch Pilots.

Autumn 2014

Roll out of digital jobcentres will be complete.

Expected start date for pilot in support of 18-21 year olds.

November 2014

October 2014 changes applied to Pension Credit new claims.
'Genuine Prospect of Work' assessment for EEA nationals receiving JSA to take place after three months, instead of six months.

October 2014

Minimum earnings threshold extended to Income Support, ESA new claims and rapid reclaims for JSA and Income Support.

System that gathers information for the Habitual Residence Test extended to Income Support and ESA new claims made by any migrant or British National returning from living or working abroad.

From Autumn 2014

Expansion of UC live service to take claims from families.

November 2014

Social Justice Outcomes Framework progress report

Late 2014

Launch of Health and Work Service



2015 - 2017

Reform Timeline

April 2015

Introduction of private pension decumulation reforms

June 2015

Automatic enrolment begins for small employers.

April 2016

The new State Pension will be implemented from April 2016.

2016 – 2017

Majority of the remaining legacy caseload moving to Universal Credit

By April 2017

Bereavement Support Payment implemented

February 2015

Roll out of UC across the country begins for new single claimants

October 2015

Reassessment of remaining Disability Living Allowance caseload for Personal Independence Payment begins.

State Pension Top Up available to those of State Pension age.

2016

Universal Credit will be established across Great Britain with new claims to legacy benefits closed from 2016 – with migration to follow thereafter.

All families claiming Universal Credit will receive childcare support up to 85 per cent of actual costs.

Changes to Pension Credit for Child Addition and mixed age couples come into effect.

May 2017

Automatic enrolment begins for new employers (established after April 2012).



The changes

- The government published its strategy for Social Justice, Social Justice: Transforming Lives, in March 2012.
- Previous approaches have focused on increasing income levels to bring people above the poverty line: the Social Justice Strategy is about tackling the root causes of poverty.
- Social Justice principles underpin and link all aspects of our work and reforms - influencing our overall direction, our policies, and the delivery of DWP services.
- Examples of what we have introduced are - new Domestic Violence legislation; Day 1 access to the work programme for ex-offenders; easements to job search activity for those on recognised drug/alcohol treatment programmes; trialling different approaches to those in entrenched worklessness.



The changes

Universal Credit

- **Universal Credit replaces six in work and out of work benefits.**
- **Universal Credit requires claimants to accept a 'Claimant Commitment'.** This sets out what is expected in return for receiving assistance, taking into account personal circumstances and capability to earn.
- **Claimants will be able to apply for their benefits online.** Nearly 80 per cent of benefit claimants already use the internet. Telephone and other support services available if needed.
- **Designed to make work pay.** As claimants earn more money, financial support will be withdrawn at a slower rate than is the case under the current system. Real Time information (RTI) link with HMRC will facilitate this.
- **A single payment will be made to a household** rather than an individual. This will include housing costs. It will be paid monthly, in arrears. This will enable a household to clearly see the effect of their decisions on their overall income, encouraging responsibility for budgeting.
- **Local support** will be available to help claimants where appropriate. This will be provided through DWP and local authority delivery partnerships.



The changes (1)

- Customers who have reached the qualifying age for **Pension Credit (PC)** will continue to receive Housing Benefit, although the Welfare Reform Act 2012 allows for the introduction of a new element of PC, the Housing Credit, to provide support for rent. We will consult on eventual plans for the introduction of such a Housing Credit.
- Additional amounts for children will be incorporated into the Guarantee Credit element of PC.
- There will be no Working Tax Credit replacement within modified PC. Pension age customers who do not qualify for PC but are entitled to Working Tax Credit will be entitled to Transitional Protection at the point of change, if their circumstances remain the same and the customer is unable to establish entitlement to PC of at least the same amount.



The changes (2)

- From a date to be decided mixed aged couples (where one member is over Pension Credit qualifying age and one below) will not have access to Pension Credit (PC), they will have to claim Universal Credit.
- Couples already in receipt of PC at the date the change is introduced will be able to remain on it unless their circumstances change and they are no longer entitled for some other reason.
- An existing PC customer who forms a partnership with someone below the qualifying age after the change is introduced will no longer be entitled to PC – they will have to claim Universal Credit.
- We are introducing the **State Pension Top Up**. This will allow existing pensioners, and those reaching State Pension age before 6 April 2016, the opportunity to gain additional State Pension by paying Class 3A voluntary National Insurance contributions.



The changes (1)

- Starting with the largest firms from October 2012, employers are now required by law to pay into a **workplace pension** for eligible workers. Those who save will benefit from contributions from their employer and tax relief from the Government.
- The introduction of a **clearer state pension** system from 6 April 2016 will make it easier for people to know what they will get from the state in retirement. The Pensions Act 2014 received Royal Assent on 14 May 2014.
- The **Default Retirement Age** has been abolished, meaning most people can now retire when the time is right for them.
- We are modifying **Pension Credit** to incorporate support for dependent children following the introduction of Universal Credit.



The changes (2)

- Treasury published the response to their consultation, '**Freedom and Choice in Pensions**', on 22 July. This sets out how those over 55 with pensions savings in cash-based schemes can access them, and how the promise of impartial guidance will be delivered. It also sets out how the industry can innovate and provide new financial products for those who want them.
- The **State Pension age** is changing to reflect increases in life expectancy and ensure the state pension system remains sustainable. DWP will regularly review the State Pension age and people should expect to spend, on average, up to one third of their adult life in receipt of the State Pension. This means the increase in State Pension age to 68 could come forward to the mid 2030s, and that State Pension age could increase further to 69 by the late 2040s.



The changes (1)



Disability

- **Personal Independence Payment (PIP)** has now replaced Disability Living Allowance for working age claimants (16-64). The new benefit includes an assessment of individual needs and aims to make sure financial support is targeted at those who face the greatest challenges to living independently.
- In July 2013, the Government published a new cross-government disability strategy, **‘Fulfilling Potential’**, which commits to enabling disabled people to fulfil their potential and play a full role in society. The strategy was updated in September 2014.
- As part of the strategy, a new cross-sector **Disability Action Alliance** has been established to develop practical local action – over 200 members are committed to work in partnership to improve the lives of disabled people.
- The new **Interdepartmental Ministerial Group on Disability**, chaired by the Minister of State for Disabled People, has been set up to continue to drive forward change across Government.
- In August 2014 the **Accessible Britain Challenge** was launched. The aim of the Challenge is to motivate communities to do more to be inclusive and accessible for disabled people.



The changes (2)



Disability

- **Universal Credit** will remove the financial risks for disabled people moving back into employment. Universal Credit will help people with fluctuating conditions who want to work when their condition allows, or those who can only work limited hours because of their condition.
- **Access to Work** support is continuing to be made available to people with disability and long term health conditions to deliver enhanced outcomes for disabled people.
- The Government published '**The disability and health employment strategy: the discussion so far**' in December 2013. This outlines our commitment to enabling more disabled people to get into, stay in and progress in work.
- We have also launched the **Disability Confident** campaign for employers; to support employers to recruit, retain and develop more disabled people.
- Dr Paul Litchfield carried out the fourth independent review of the **Work Capability Assessment (WCA)**. His [report](#) to the Secretary of State for Work and Pensions was laid before Parliament on 12 December 2013. The findings of the [Evidence Based Review](#) were published on 12 December 2013.
- The Government's response to the Litchfield Review (and next steps as a result of the Evidence Based Review) were published on 27 March 2014.



The changes (1)

Housing Support

- Housing Benefit has changed, including the introduction of caps on Local Housing Allowance rates and the extension of the shared accommodation rate to people aged under 35.
- Localised support for Council Tax has been introduced to replace Council Tax Benefit. DWP and DCLG are working together to ensure the provision, continuation and development of data necessary to input to local schemes.
- In addition, since April 2013, Local Housing Allowance rates have been updated annually. In April 2014, rates were generally increased by a maximum of 1 per cent. This will be repeated in April 2015.
- The Government has set aside £140 million (known as the Targeted Affordability Fund) to increase some rates by greater than 1 per cent in areas where there may be a shortage of affordable housing.



The changes (2)

- Since April 2013 all tenants renting from a local authority, housing association or other registered social landlord receive housing support based on household size. These allow for one bedroom for each person or couple living as part of the household. Both people in a couple must have to be of working age to be affected. Two children under 16 of the same gender are expected to share a room, as are two children under 10 regardless of gender.
- Where a property is deemed 'under occupied' the eligible rent under Housing Benefit will be reduced by 14 per cent for one room and 25 per cent if under occupied by two rooms or more.

The changes (3)

Housing Support

- Household size criteria also allows one bedroom for a non-resident carer if a tenant or their partner is a disabled person who needs overnight care.
- Households with a disabled child may retain Housing Benefit for an additional room, if the nature and severity of the child's disability disturbs the sleep of the other child that they would normally be expected to share with. This follows a Court of Appeal judgment about the treatment of disabled children under the size criteria rules in private rented accommodation and has applied to social sector accommodation since 1 April 2013, when the spare room subsidy was removed.
- Approved foster carers, whether or not they have a child placed with them or are between placements, will be allowed an extra room, as long as they have fostered a child within the last 12 months or become a registered foster carer within the last 12 months.
- Wives or husbands of those serving in the Armed Forces will be unaffected by these changes. Parents with adult children in the Armed Forces who continue to live with their parents will continue to be considered as living at home when applying the size criteria whilst away on operational duty.



The changes (4)

Housing Support

- In 2014/15 we will continue to support those affected by the welfare reforms with a total government contribution to Discretionary Housing Payments of £165 million. £60 million of this is allocated to support those claimants affected by the Removal of the Spare Room Subsidy.
- Local authorities have discretion in determining Discretionary Housing Payments at a local level, based on the circumstance of each individual case. We have provided local authorities with a Discretionary Housing Payment good practice manual that enables them to make awards where there is a clear need.
- The government has continued its support to local authorities in 2014/15 by providing £18.4 million towards the ongoing administration of the welfare changes.



The changes

Owner Occupier Housing Costs

Key reforms in Universal Credit - there will be some differences from existing Support for Mortgage Interest provision for owner occupiers when Universal Credit is introduced. These are:

- All loans secured on the property will be allowable, up to the capital limit.
- There will be a zero earnings rule for Owner Occupier Housing Costs – if the claimant and/or the partner has any earned income, Owner Occupier Housing Costs stops.
- There will be no linking rules.
- The waiting period will be 13 weeks and the capital loan limit £200,000 until the end of March 2015.
- No deductions for non dependants in Owner Occupier Housing Costs .
- We will continue to make payments of mortgage interest direct to lenders.
- We are making provision for alternative finance arrangements (Islamic mortgages).

Pension Age: Owner Occupier Housing Costs will continue as part of Pension Credit.

Longer term: (Universal Credit and Pension Age): We intend to transform Owner Occupier Housing Costs.



The changes (1)

Benefit Cap

- From 15 April 2013 a cap was introduced on the total amount of benefit that working-age claimants can receive. The cap is based on average earnings (after tax and National Insurance) of working families – £500 a week for couples (with or without children) and single parent households, and £350 a week for single adult households without children.
- Initially the cap is being administered by local authorities through deductions from Housing Benefit payments. These arrangements will continue until Universal Credit is fully in place and the cap from Housing Benefit is no longer required.
- The benefit cap applies to the combined income from out of work benefits; and other benefits such as Housing Benefit, Child Tax Credit, Child Benefit and Carer's Allowance. There is an online calculator available for claimants to use at www.gov.uk and a Benefit Cap helpline: 0845 6057064 and textphone: 0845 6088551 (8am-6pm Monday-Friday).



The changes (2)



Benefit Cap

- Households entitled to Working Tax Credit are exempt from the cap, as are:
 - all households which include someone receiving a disability-related benefit (Disability Living Allowance / Attendance Allowance / Personal Independence Payment / Industrial Injuries Benefit / support component of Employment and Support Allowance);
 - war widows and widowers and those in receipt of War Disablement Pension or equivalent payments under the Armed Forces Compensation Scheme.
- There is a 'grace period' whereby the benefit cap will not be applied for 39 weeks to those who have been continuously in work for the previous 12 months and have become unemployed. This will allow people time to find alternative employment or consider other options to mitigate the impact of the cap.



The changes

A dark blue gear-like shape with the text "Social Fund" in white.

- Community Care Grants and Crisis Loans were abolished on 1 April 2013.
- From April 2013, local authorities in England, and the Scottish and Welsh Governments have been free to deliver their own local arrangements for assistance for people facing a crisis or short-term unavoidable need.
- The help and support provided by local authorities and the Scottish and Welsh Governments is known as Local Welfare Provision. In Scotland it will be known as the Scottish Welfare Fund. In Wales it will be delivered as the Discretionary Assistance Fund.



The changes (1)

Employment Offer

Significant changes have been made to the welfare-to-work programmes available to Jobcentre Plus claimants. Changes include:

- **Universal Jobmatch**, an online job posting and matching service for both employer / recruiters and jobseekers.
- **Youth Contract** (including the Wage Incentive) is designed to get more young people into meaningful employment, training or work experience.
- The **New Enterprise Allowance (NEA)** helps unemployed people who want to start their own business. It provides access to business mentoring and financial support. New referrals to the scheme, due to end in September 2013, will now continue until the end of December 2014. Funding to extend the scheme to 2015-16 was announced in the Autumn Statement.
- **Spending Review 2013 measures** – since April 2014, pre-Work Programme JSA claimants and certain lone parents and responsible carers are subject to a number of measures which increase conditionality and support.



The changes (2)

Employment Offer

- **Work Programme** offers greater freedom to tailor support to the needs of individual claimants. The number of Employment and Support Allowance claimants benefiting from this support is being increased by mandating additional Employment and Support Allowance claimants to the Work Programme.
- **Help to Work**, since April 2014, Jobseeker's Allowance claimants returning from the Work Programme go onto one of three intensive modes of support, determined by a Jobcentre Plus advisor and according to need. The options are: going on the Mandatory Intervention Regime (MIR); signing on at a Jobcentre every day for an extended period; a six-month Community Work Placement (CWP) for 30 hours a week, alongside provider-led jobsearches. (In England, CWPs are part-funded by the European Social Fund, under DWP's co-financing agreements.)
- **Work Choice** is a specialist disability employment programme which was launched in October 2010. Work Choice provides tailored support to help disabled people who face the most complex barriers to employment find, and stay in, work.



The changes (1)

Fraud & Error

The future is an integrated end-to-end Fraud and Error service. The Fraud and Error Strategy will deliver the capability to **prevent** fraud and error; **detect** and **correct** it where it does exist; **punish** those who defraud the system; and **deter** future fraud.

Prevent:

- A new service will analyse the information claimants provide on their new and existing claims to check for potential fraud and error.
- Automatic Transfer to Local Authority Systems (ATLAS) is an IT system which allows data to be exchanged with local authorities on Housing Benefit to ensure claims stay correct.
- Real Time Information (RTI) on earnings reduces the opportunity to defraud the system and keeps payments correct.



The changes (2)

Detect:

- We have begun implementing the **Single Fraud Investigation Service (SFIS)** from July 2014. This is an improved way of working that will mean a single fraud investigator can investigate all types of welfare benefit fraud.
- **Campaign Management** - Mobile Regional Taskforce (MRT) pilot initiatives were outlined in the joint DWP and HMRC fraud and error strategy to help reduce the level of benefit and Tax Credit fraud and error in the system.

Correct:

- Claimants have a responsibility to ensure that they inform DWP about any changes to their circumstance and that the information they provide is correct. For those that don't, a £50 **Civil Penalty** has been introduced for use in cases of 1) claimant error resulting in an overpayment due to negligence and failure to take steps to put it right or; 2) failure to report changes promptly with no reasonable excuse for their failure or; 3) failure to provide information in accordance with requirements and offering no reasonable excuse for not doing so.



The changes (3)

Punish:

- A tougher administrative penalty of £350 for benefit fraud or 50 per cent of the amount overpaid, whichever is greater up to a maximum penalty of £2,000. This is in addition to the current loss of benefit for a four week period and the existing requirement to repay any overpayment.
- We have increased the period for which those convicted of fraud will forfeit their benefit, alongside any court punishments:
 - Conviction for a first benefit fraud offence - benefit lost for 13 weeks;
 - For a second offence where the latter offence results in a conviction – benefit lost for 26 weeks;
 - For a third offence where the latter offence results in a conviction - three years, with a three year loss of benefit for a serious offence of identity benefit fraud or organised benefit fraud.

The changes

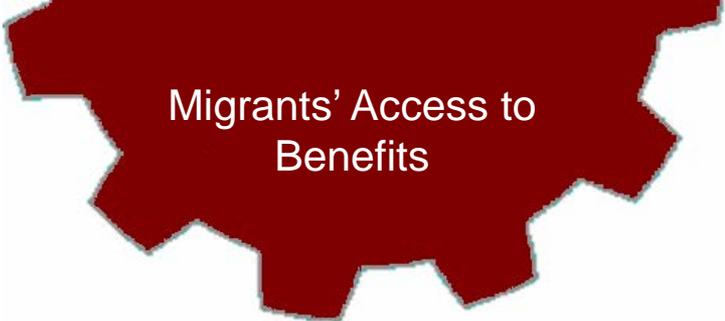
Appeals Reform

Those wishing to dispute a DWP decision will need to be aware of three key changes DWP has made to the appeals process:

- Following receipt of a decision, anyone wishing to dispute it will now have to request that DWP conducts a mandatory reconsideration before being allowed to lodge an appeal. Resolving any disputes before appeal will help ensure that the right decision is reached earlier. In order that DWP can make the right decision as early as possible, it is important that all relevant information in a case is sent to DWP as soon as possible.
- Those wishing to dispute a decision following a mandatory reconsideration must send appeals direct to Her Majesty's Courts and Tribunals Service (HMCTS).
- DWP has agreed to the request of the Tribunal Procedure Committee to introduce time limits for DWP to return appeal responses to HMCTS. DWP has undertaken to provide an appeal response within 28 calendar days in benefits cases, and within 42 calendar days in child maintenance cases. DWP will begin to report against these time limits from October 2014.



The changes (1)



Migrants' Access to Benefits

The Migrants' Access to Benefits project will ensure key Government commitments on tightening migrants' access to benefits are implemented in DWP.

Measures introduced include

- A more robust Habitual Residence Test was introduced for face to face interviews in Jobcentres in December 2013.
- For claims made from 1 January 2014:
 - Most jobseekers, including UK nationals returning from living or working abroad, will be unable to access JSA (IB) until they have been living in the UK (or 'Common Travel Area') for 3 months.
 - A new assessment will check whether European Economic Area (EEA) nationals receiving JSA have compelling evidence to show they have a 'Genuine Prospect of Work'. Unless they provide such evidence, their JSA will end after 6 months.
- Since 1 March 2014, the minimum earnings threshold has helped Decision Makers to determine if an EEA national's previous or current work can be treated as genuine and effective in deciding if they have a right to reside in the UK as a worker or self-employed person for benefit purposes.



The changes (2)

Migrants' Access to Benefits

- The removal of access to Housing Benefit for EEA jobseekers was introduced from 1 April 2014, even if the jobseeker is in receipt of income based JSA.
- On the 6 October 2014, The Minimum Earnings Threshold (which previously applied to Jobseeker's Allowance claims made by EEA migrants) was extended to Income Support, Employment and Support Allowance new claims and rapid reclaims for Jobseeker's Allowance and Income Support.
- On the same date the electronic system that gathers information for the Habitual Residence Test was also extended to Income Support and Employment Support Allowance new claims made by any migrant or British National returning from living or working abroad.
- These two changes will apply to Pension Credit new claims made from 3 November 2014, bringing about a more consistent approach to information gathering and DWP decision making for the Habitual Residence Test.
- From 10 November 2014, the Jobseeker's Allowance (JSA) six month time limit will be reduced to three months. The assessment to check whether an EEA national receiving Jobseeker's Allowance has compelling evidence to show they have a 'Genuine Prospect of Work', will be carried out at the three month stage of the claim and unless they provide such evidence, their JSA will end.



The changes

Child Maintenance

- We want to help parents reduce levels of conflict after a separation and work together more effectively in the interests of their children. Our focus is on encouraging and supporting separated parents to work together on a range of issues, including child maintenance.
- In addition to the service provided by CM Options, we are investing £14 million in the Help and Support for Separated Families initiative, directing parents to the support they need during and after separation. This includes a web app, Innovation Fund and Support for Separated Families Mark.
- The Child Maintenance Service delivers the 2012 statutory child maintenance scheme, where maintenance payments are calculated on gross income information taken directly from HMRC. This was introduced as a pathfinder in December 2012, before opening to all new applicants in November 2013.
- From 30 June 2014, applications to the 2012 scheme are subject to a £20 application fee (waived for victims of domestic violence and people aged 18 and under), enforcement charges were introduced and the CSA case closure process began.
- From 11 August 2014, collection charges have been introduced, where the Child Maintenance Service collects and passes on payments between parents. These charges can be avoided if parents use Direct Pay.



The changes

Legacy Benefits

- Income Support (IS) is going to be replaced by Universal Credit, at which point there will be no further claims to IS.
- The income-related element of Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA) is being removed as Universal Credit is implemented.
- The personal allowances of discretionary working age benefits and the ESA work related activity component was uprated by one per cent from April 2013. They will be uprated by a similar percentage in April 2014 and 2015.
- The Employment and Support Allowance (ESA) conditionality and sanctions regime changed in December 2012 and Work Capability Assessment cancer descriptors and a range of other descriptors were amended in January 2013.
- From October 2014, waiting days will be extended from 3-7 days for new ESA and JSA claims.



The changes (1)

Bereavement Benefit Reform

- Following a public consultation and a Government response paper in July 2012, we are shifting the focus of bereavement benefits to provide a short-term intervention, which helps people deal with the more immediate financial needs caused by a bereavement, helps the process of readjustment and encourages a supported return to work for those without employment.
- Findings from independent social research also showed that for most people regardless of their household income, the death of a spouse has a significant financial impact which is particularly acute in the few months following the bereavement.
- Therefore we are moving from a complex payment system to a simplified, uniform payment structure for all recipients, regardless of their age or whether they have dependent children.



The changes (2)

Bereavement Benefit Reform

- Bereavement Support Payment will consist of a lump sum payment followed by 12 monthly instalments and widowed parents will receive a higher rate.
- There will be no lower age limit to receiving this benefit.
- Bereavement Support Payment will be disregarded from Universal Credit and the benefit cap.
- Receipt of the Bereavement Support Payment will not affect access to contribution-based Jobseeker's Allowance or contribution-based Employment Support Allowance, so that bereaved spouses and civil partners can access tailored employment support at the appropriate time.
- The National Insurance contribution condition will be simplified so that people will get the full payment as long as their late spouse or civil partner paid National Insurance contributions at 25 times the lower earnings limit for any one year.
- The upper age for eligibility will align with changes to the State Pension age.
- Those who are already in receipt of bereavement benefits at the point at which the new scheme is introduced will not be affected by the changes.



The changes (1)



Freedoms and Flexibilities

- Districts now have far greater Freedoms and Flexibilities to deliver according to their local labour markets to help more people into work.
- A flexible operating model was first tested by the 'Local Autonomies' pilot between 2009 and 2011, the outcomes of which proved the concept and scoped the benefits achievable. Since then the Freedoms and Flexibilities offer was implemented in April 2012.
- All Work Services Districts have been given local autonomy to tailor their back-to-work services to meet the needs of individual claimants and local labour markets.
- Freedoms and Flexibilities is about Districts doing the right thing to get claimants into work quickly, rather than simply ticking boxes and delivering one size fits all back to work services.



The changes (2)

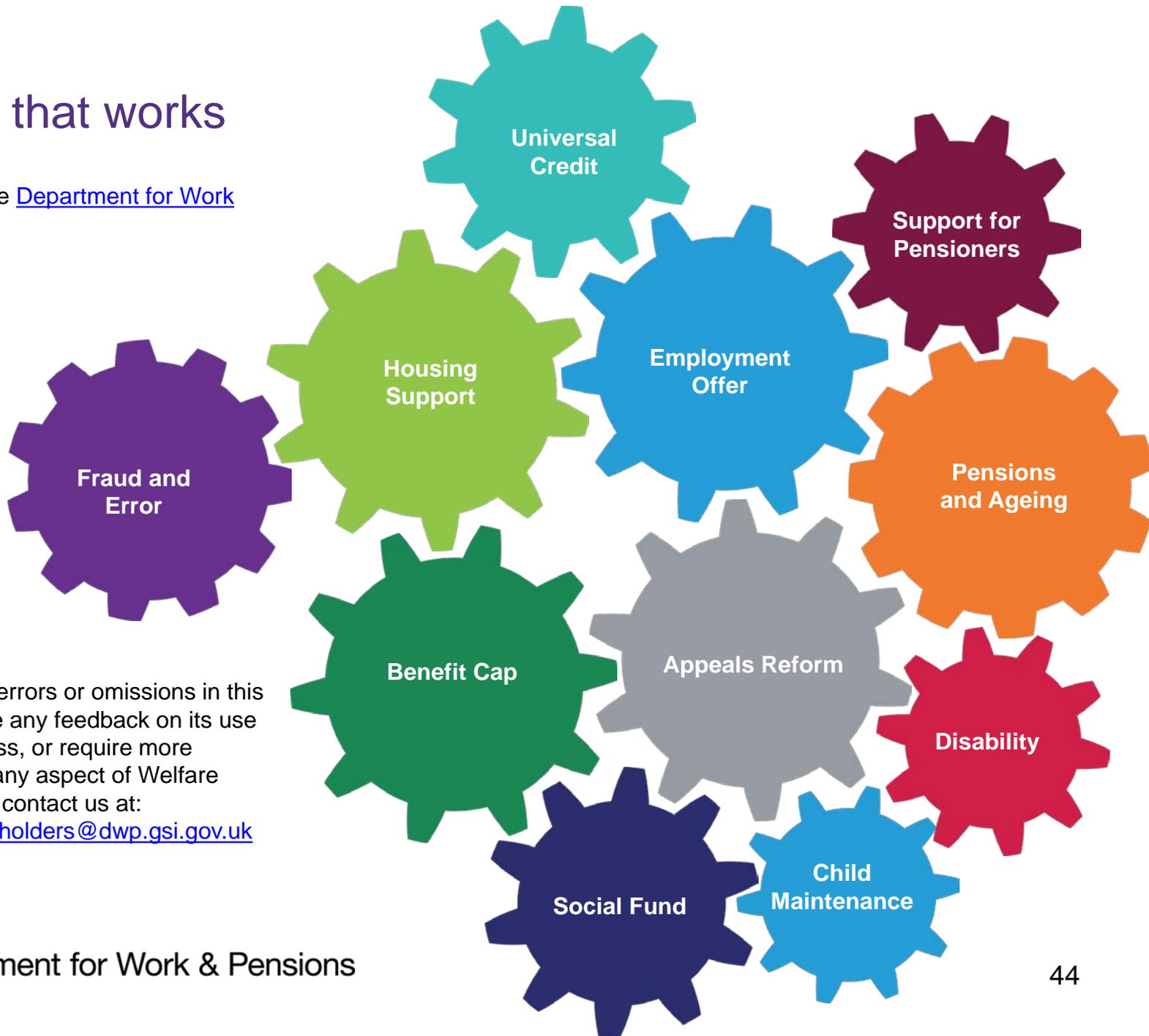
Freedoms and Flexibilities

- It is an approach that encourages innovation, and supports the most effective way for us to design and deliver our services to the public.
- This is a different approach to before, as it allows Districts more freedom to tailor their offer to fit their claimants' needs, for example: additional adviser support, over and above the new jobseeker interview and fortnightly face-to-face jobsearch reviews, is now based upon claimant interventions determined by individual need rather than at set points for all.



Welfare that works

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If you spot any errors or omissions in this document, have any feedback on its use and effectiveness, or require more information on any aspect of Welfare Reform, please contact us at: corporate.stakeholders@dw.p.gsi.gov.uk

