This publication is withdrawn.

This publication is no longer current.

Updated: February 2015
Next update due: May 2015

DWP: Our Reform Story

For more information contact:
corporate.stakeholders@dwp.gsi.gov.uk

Follow us:
twitter.com/dwppressoffice
facebook.com/DWP
linkedin.com/company/dwp
youtube.com/workandpensions

Department for Work & Pensions

Updated: February 2015
Next update due: May 2015

DWP: Our Reform Story

Complete slide pack

Department for Work & Pensions

Contents

The Ministerial Team

Secretary of State
The Right Honourable Iain Duncan-Smith MP

Minister of State for Employment
Esther McVey MP

Minister of State for Pensions
Steve Webb MP

Minister of State for Disabled People
Mark Harper MP

Minister for Welfare Reform
Lord Freud

The Reform Story

Overview (1)

- 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 into 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 sustainable and fair between generations. 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.

The Story so far: January - May 2012

- **January** The Shared Accommodation Rate was extended to under 35's
- **March** *Social Justice: Transforming Lives* published
- **April** Jobseeker's Allowance Domestic Violence Regulations came into force

  Local Housing Allowance rates frozen
- **May** Time limiting for Employment and Support Allowance claimants in the Work Related Activity Group came into effect

  Lone Parent Income Support entitlement changed for new and repeat claims

  Direct mail activity alerting claimants to the fact they may be affected by the benefit cap began

  Tougher benefit fraud administrative penalty came into force

The Story so far: June - December 2012

- **May-November** Lone Parent Income Support entitlement changed for existing claims
- **June** Direct Payment Demonstration Projects began
- **July** Local authority/DWP data sharing regulations to support welfare services came into effect
- **Autumn** Universal Credit local authority pilots began
- **October** The revised Jobseeker's Allowance sanctions regime implemented

  Civil penalty for negligently giving incorrect information / failing to report a change in circumstances came into force
- **December** The revised Employment and Support Allowance sanctions regime was implemented

  2012 child maintenance scheme opened on a pathfinder basis

The Story so far: January - April 2013

- **January** Single Tier Pensions White Paper published
- **February** Creation of the Disability Action Alliance
- **April** Universal Credit Pathfinder – start of early Universal Credit rollout in Greater Manchester and Cheshire areas

  Benefit cap came into force for new and existing claimants in Bromley, Croydon, Enfield and Haringey local authorities

  Removal of the spare room subsidy came into force

  Controlled start for new claims to Personal Independence Payment in the North West and parts of the North East of England

  Introduction of Localised Support for Council Tax

  Tougher Loss of Benefit regulations commenced

  Community Care Loans and Crisis Grants abolished and new Local Welfare Provision introduced

  Publication of *Social Justice: transforming lives – one year on*

The Story so far: June – October 2013

- **June** New claims for PIP introduced nationally
- **July** Benefit cap implemented in all other local authorities (between 15 July and September 2013)

  Universal Credit pathfinder expanded

  Publication of Fulfilling Potential: Making it Happen

  Disability Confident campaign launched
- **October** Progressive roll out of Universal Credit began – 6 Jobcentres taking new claims (by Spring 2014), starting in Hammersmith

  Claimant Commitment started rolling out nationally for JSA claimants

  Reassessment of Personal Independence Payment for some existing Disability Living Allowance claimants in Wales, East and West Midlands and parts of East Anglia

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

The Story so far: November – December 2013

- **November** Progressive roll out of Universal Credit – expansion to Inverness and Rugby

  Child Maintenance Service opened to all new applicants

  First Disability Confident regional event held in Birmingham

- **December** Announcement of further roll out plans for Universal Credit

  Universal Credit – Local Authority-led pilots and Direct Payment Demonstration Projects complete

  Local Support Services Framework update published

  Publication of Litchfield review into Work Capability Assessment

  Publication of 'The disability and health employment strategy: the discussion so far'

The Story so far: January – March 2014

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

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

- **February** Expansion of Universal Credit to Bath and Harrogate

- **March** Minimum earnings threshold was introduced. This will help DWP Decision Makers decide whether EEA migrants have the right to reside in UK as a worker/self-employed person, allowing access to a wider range of benefits

  Launch of ‘Freedom and Choice in Pensions’ consultation

  Publication of response to Litchfield review into WCA

  First meeting of the Inter-Departmental Ministerial Group on Disability

The Story so far: April – June 2014

- **April** Expansion of Universal Credit to Shotton

  Completion of roll out of Claimant Commitment to all British Jobcentres

  Start of Help to Work - JSA claimants returning from the Work programme to receive intensive support

  Spending Review 2013 measures – pre-Work Programme JSA claimants and certain lone parents and responsible carers subject to a number measures to increase support and conditionality

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

  First meeting of the Fulfilling Potential Forum
- **May** The Pensions Act 2014 received Royal Assent (14 May)
- **June** Application fees and enforcement charges introduced to the Child Maintenance Service and CSA case closure process began

  Start of expansion of Universal Credit across North West England, and taking new claims from couples in other sites

The Story so far: July – September 2014

- **July** First meeting of the Fulfilling Potential Forum

  Disability Confident tools provided to MPs to support constituency events

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

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

  Treasury response to consultation 'Freedom and Choice in pensions'

  Start of implementation of Single Fraud Investigation Service

  First 'Genuine Prospect of Work' assessment took place

- **August** Collection charges introduced on Child Maintenance Service (CMS) cases where parents use the CMS to collect and pass on payments

- **September** Announcement of plans for accelerated roll-out of Universal Credit from early 2015

  Fulfilling Potential Strategy progress report published

  Launch of Accessible Britain Challenge

The Story so far: October 2014 – February 2015

- **October** Minimum earnings threshold extended to Income Support, ESA new claims and rapid reclaims for JSA and Income Support for migrants.
- **November** Expansion to further areas of reassessment of some DLA claimants to PIP

  Universal Credit extended to families in 6 Jobcentres

  Genuine Prospect of Work' assessment for EEA nationals with a right to reside status as a 'jobseeker' receiving JSA to take place after three months, instead of six months.
- **December** The first independent review of the Personal Independence Payment assessment was published

  Minimum earnings threshold extended to Pension Credit new claims for migrants.
- **January** Expansion to further areas of reassessment of some DLA claimants to PIP

  Expansion of Universal Credit to families to a further 26 sites
- **February** First tranche of national roll out of Universal Credit started

  Existing claims to income-based JSA made before 1 January 2014, by an EEA national will be notified that they will be subject to a Genuine Prospect of work assessment in three months time

Social Justice

Department for Work & Pensions

The changes (1)

- The Government published its strategy for Social Justice, *Social Justice: Transforming Lives*, in March 2012. This is a cross-Government strategy.
- The cross-Government priorities for social justice, outlined in the *Social Justice Outcomes Framework* (October 2012) are:
    - Supporting families
    - Keeping young people on track
    - The importance of work
    - Supporting the most disadvantaged groups
    - Delivering social justice.

The changes (2)

- Social Justice principles underpin all the reforms and link all aspects of the work of DWP – giving individuals and families facing multiple disadvantages the support and tools they need to turn their lives around. Previous approaches to tackling poverty have focused on increasing income levels to bring people above the poverty line.

- The Social Justice Strategy goes much further, exploring how tackling the root causes of problems can make real and sustained changes to the lives of those facing multiple disadvantages. The principles underpinning this approach are:

  - A focus on prevention and early intervention.

  - Where problems arise, concentrating interventions on recovery and independence, not maintenance.

  - Promoting work as the most sustainable route out of poverty, while offering unconditional support for those who are severely disabled and cannot work.

  - Recognising that the most effective solutions will often be designed and delivered locally.

  - Ensuring that interventions provide a fair deal for the taxpayer.

The changes (2)

- In October 2012, we published the *Social Justice Outcomes Framework*, outlining seven indicators or ‘yardsticks’ of success for the strategy.
- On 24 April 2013, the Government published *Social Justice: transforming lives – one year on*, which highlights the progress made since the publication of the Strategy and against the seven indicators.
- In June 2013, a consultation event took place to explore how to support more effective innovation and delivery of Social Justice through local leadership and approaches. The independent report, with 15 recommendations, was published on 30 October 2013.
- To inform the Government’s response to the report, we are continuing the dialogue on ‘local leadership’ to successfully unlock its potential through a series of roundtable discussions. By bringing together local leaders within an area we will explore what has worked well (particularly where local leadership made the difference), what has not worked and why, and what local leaders need to be most effective.

The changes (3)

- The second annual Social Justice Conference held on 30 October 2013, with Government Knowledge, was for those with a key interest in creating thriving local communities. In his opening address, the Secretary of State outlined the progress that had been made since the Social Justice Strategy had been launched and what more needed to be done.
- A Social Justice Toolkit, developed by the Centre for Economic and Social Inclusion and DWP, was launched at the Social Justice Conference. This provides an independent source of Social Justice information at Local Authority level, primarily for use by Local Authorities and other organisations. It aims to help them gather and make sense of local level data relating to our Social Justice objectives that will encourage the sharing of best practice, as well as help areas identify where they need to do more.
- A Progress Report was published in November 2014, which not only looked at the progress from the one year on report, but included details of the complete journey since 2010. The report was launched by the Secretary of State at the third annual Social Justice conference; run in conjunction with Government Knowledge on 18 November 2014.

Your role - Stakeholders

Social Justice

- Central government is only one part of the partnership needed to deliver Social Justice.
- Disadvantaged groups often depend on, and consume, the services of a range of local bodies, whether this is the local housing office, Jobcentre Plus or local health services. We need to ensure services are ‘user-focused’ - built around the needs of individuals rather than the boundaries of different agencies.
- Delivering Social Justice will require strong leadership at national and local level to champion the principles in this strategy and to deliver for those individuals and families experiencing multiple disadvantages.
- It also requires innovative and imaginative approaches to designing and funding services and close partnerships between the private, public and charitable sectors.
- We are continuously organising engagement with local leaders to discuss key themes in the Strategy, and what we can do collectively to share best practice and drive innovation in funding and delivery.

Universal Credit

Department for Work & Pensions

The changes (1)

- **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.

"There are so many different types of benefit that people could be getting, they don't understand how much they get for each benefit and where one benefit affects another. There is just too much to take on board…"

DWP staff member

The changes (2)

- **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.

- Around 500,000 working families will receive **childcare** help and will get more out of the money they earn. At Budget 2014, the Government announced that from 2016 all families claiming Universal Credit will receive childcare support up to 85 per cent of their actual costs. This is up from 70 per cent in the current working tax credit system.

The changes (3)

- **Progressive roll-out** of Universal Credit started in October 2013 – beginning with Hammersmith, expanding to Rugby and Inverness in November, Bath and Harrogate in February 2014, and Shotton in April.
- In June 2014 we started our rollout of Universal Credit to jobcentres right across the North West. By the end of 2014, we had nearly had 97 jobcentres, or more than **one in eight jobcentres in Britain**, offering Universal Credit.
- Also in June we began **taking new claims for Universal Credit from couples** in other sites - Hammersmith, Bath, Rugby, Harrogate and Inverness.
- And Universal Credit started to expand to families in the November 2014.
- From early in 2015, Universal Credit will be rolled out to **all jobcentres and local authorities across the country** for new claims from single jobseekers.

The changes (4)

- The new **Claimant Commitment**, which paves the way for the cultural transformation that Universal Credit brings, has now been rolled out to all British Jobcentres. JSA claimants will be expected to take all reasonable steps to give themselves the best prospects of finding work. If they don't meet this requirement they risk losing benefits.

- Over 26,000 members of staff have been trained to provide **job coaching**, expert help and advice to encourage and motivate claimants in their search for work.

- The roll out of **digital jobcentres** completed – placing wi-fi and computers in all jobcentres.

- **Eleven in work progression pilots** are also up and running – testing ways to help claimants on a low income increase their work hours and income in order to reduce dependency on benefits.

Why? (1)

It's all about work

- **Universal Credit aims to make sure claimants are better off in work than on benefits.** No 16 hour rule and no limits on the number of hours someone can work. UC payment only reduces gradually as their take home pay increases so claimants won't lose all their benefits at once if they are on a low income. 3.1 million households better off by £168 per month.

- **Universal Credit aims to support jobseekers through the Claimant Commitment** - to raise their expectations of what they can achieve, and to encourage responsibility. Those who are fit and ready for work will be expected to look for a job on a full time basis dependent on circumstances.

Why? (2)

- **Universal Credit claimants are expected to use Universal Jobmatch**, an intelligent job matching service that helps employers to get the best fit for the jobs that they have on offer.
- **Universal Credit will encourage a new type of relationship with claimants**. Work service coaches will help claimants to become more independent by supporting them in their worksearch activities. They will help claimants plan and focus their jobsearch as well as set them actions that give them the best chance of finding work.
- **Work also brings many non-financial benefits** that can transform the lives of individuals and the communities they live in.

"We all know that jobs can be nice sometimes… You get nice incentives [at work]. You learn about the world. You chat to your mates. There are a lot of benefits [other] than just work…"

Benefit claimant

When? 2012 - 2013

Universal Credit

Autumn 2012
12 local authority led pilots began as part of Universal Credit testing.

January 2013
'Learning the lessons' early findings of Direct Payment Demonstration Projects Report available.

April 2013
Universal Credit Pathfinder went live.
Most employers required to send PAYE returns in real time.

July 2013
Pathfinder expansion

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

October 2013
Progressive roll out of Universal Credit began with Hammersmith taking new claims

Claimant Commitment rolling out nationally for JSA claimants to around 100 Jobcentres a month by spring 2014

November 2013
Progressive roll out – expansion to Rugby and Inverness taking new claims

December 2013
Local authority led pilots complete
Direct Payment Demonstration Projects complete
Local Support Services Framework update published

When? 2014 onwards

Universal Credit

February 2014

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

April 2014

Progressive roll out – expansion to Shotton taking new claims

Roll out of Claimant Commitment to all British Jobcentres complete

From June 2014

Expansion of Universal Credit to the rest of North West England

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

From Autumn 2014

Expansion of live service to take claims from families

Autumn 2014

Roll out of digital jobcentres complete

February 2015

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

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

Your role - Local Authorities (1)

- For working age claimants, Housing Benefit (HB) will be replaced by a housing costs element of Universal Credit. Under HB some people have housing costs paid direct to the landlord. Under Universal Credit the money will go to the claimant and it will be their responsibility to pay their housing costs themselves, helping them to better understand household budgeting, and encouraging them to become more independent. Payments direct to landlords will still be possible, but only in exceptional circumstances.
- We recognise that some claimants will need additional help, advice and support provided by services at the local level. We have been working with local authorities and other organisations to form a comprehensive view of the services likely to be required to support the delivery of Universal Credit.
- The Local Support Services Framework, (now renamed **Universal Support – delivered locally**) published in February and updated in December 2013, sets out the principles for providing support for claimants with additional complex needs to help them manage Universal Credit and prepare for work.
- Key aspects of **Universal Support – delivered locally** are being trialled in 11 partnership areas across Great Britain to inform future delivery. These include the sharing of data, skills and estate to support more households into work.

Your role - Local Authorities (2)

- **Direct Payment Demonstration Projects**, running between June 2012 and December 2013, and **local authority-led pilots**, running between Autumn 2012 and December 2013, tested new ways to support residents under Universal Credit.

- Key learnings from the Direct Payment Demonstration Projects reveal that: early and clear communication to tenants is essential, using a mix of channels; direct debits are not always the best payment option, jam jar accounts will help money management; and landlords should recognise the potential increase in money advice tenants will need.

- In local authority-led pilots, some local authorities have already begun mapping services, examining both existing provision and gaps, and local authorities and DWP Districts have begun building relationships with voluntary sector organisations and other potential delivery partners.

Support for Pensioners

Department for Work & Pensions

The changes (1)

- Claimants 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 Pension Credit (PC) (Guarantee Credit).
- There will be no Working Tax Credit replacement within modified PC. Pension age claimants 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 claimant is unable to establish entitlement to PC of at least the same amount.

The changes (2)

- **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 claimant 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.

- Current assumptions are that these changes will take place during 2016.

- There will be no change to the way Pension Credit is claimed. Telephone will continue to be the primary channel for new claims and enquiries.

The changes (3)

- 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.
- It will provide an opportunity for pensioners to improve their retirement income by obtaining inflation-proofed extra additional State Pension. This could be particularly beneficial to women and other groups such as self-employed people who have not done well under additional State Pensions and have not previously been able to top these up.
- There are two entitlement conditions – contributors must have entitlement to a UK State Pension and must reach State Pension age before 6 April 2016.
- The rules on additional State Pension will apply to entitlements resulting from Class 3A contributions including inheritance – a surviving spouse or civil partner will be entitled to at least 50 per cent of the additional State Pension.

The changes (4)

- This new measure is in addition to the existing Class 3 voluntary National Insurance contributions (VNICS) which allow people to fill gaps in their contributions record for basic State Pension.
- Primary legislation was introduced in the Pensions Act 2014 and secondary legislation will cover the prices and features of the State Pension top up.
- The following features will be defined in regulations, that:

  - £25 per week should be the maximum amount that contributions can provide;
  - Class 3A VNICS will be available for 18 months from October 2015; and
  - There will be a cooling off period of 90 elapsed days.
- The State Pension top up has been set at an actuarially fair rate that ensures both individual contributors and the taxpayer get a fair deal.

Why?

- Universal Credit will replace Housing Benefit and Tax Credits. As pensioners are outside the direct scope of Universal Credit an alternative mechanism is needed to deliver support for dependent children. The decision has been taken that this support will be incorporated into Pension Credit (PC).
- Claimants who have reached the qualifying age for PC will continue to receive Housing Benefit, although the Welfare Reform Act 2012 allows for the introduction of a new element of Pension Credit, the Housing Credit, to provide support for rent. We will consult on eventual plans for the introduction of such a Housing Credit.
- The State Pension Top Up and the newly announced Pensioner Bond that will be available from National Savings and Investments in 2015, further demonstrate the Government's commitment to improving outcomes for those in retirement and providing increased flexibility for people to make the most of their savings.
- In April 2013, Council Tax Benefit was abolished and replaced by new, localised Council Tax Support administered by local authorities. In England, pension age claimants continue to receive the same amount of support as they did under Council Tax Benefit. Scotland and Wales will set out their schemes in the autumn.

Your role - Stakeholders

- The Pension Credit Plus Project has been set up to deliver help to pension age claimants impacted by the replacement of Child and Working Tax Credits.
- The project is working in close collaboration with HMRC throughout the planning process and beyond.

Pensions and Ageing

Department for Work & Pensions

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. A workplace pension is an easy way to save for retirement. Those who save will benefit from contributions from their employer and tax relief from the Government.
- The proposed introduction of a **clearer State Pension system** from 6 April 2016 will make it easier for people to know what they'll get from the state in retirement. The Pensions Act 2014 received Royal Assent on 14 May 2014.
- We have **abolished the Default Retirement Age**, meaning most people can now retire when the time is right for them. It's now easier to work beyond State Pension age. Working longer and continuing to save into a private pension is one way to increase income in retirement.
- 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 changes (2)

- The **State Pension age** will increase to reflect increases in life expectancy and ensure the state pension system remains sustainable and fair between generations. State Pension age will increase to 66 for both men and women between 2018 and 2020, and to 67 between 2026 and 2028.
- People should expect to spend, on average, up to one third of their adult life in receipt of the State Pension.
- There will be a periodic review of the State Pension age comprising reports from the Government Actuary's Department and an independent review body. It is anticipated that the State Pension age will increase to 68 by the mid-2030s, and 69 by the late 2040s.
- DWP pays a range of entitlements to pensioners, including the **State Pension**, **Pension Credit** and **Winter Fuel Payment** - people need to ensure they get what they're entitled to.
- We are modifying Pension Credit to incorporate support for dependent children following the introduction of Universal Credit - see detailed information earlier in the presentation.
- We are working with local authorities and local partners to encourage them to improve services for older people, including the delivery of the new Council Tax Reduction Schemes which replace Council Tax Benefit in April 2013.

Why? (1)

- We want people to see retirement as an increasingly active phase of life where people have opportunities to continue contributing by working longer and/or volunteering in their communities, and take personal responsibility for ageing well by working, saving and looking after their health and well-being.

- We are committed to ensuring the income today's pensioners receive from the state is secure and underpinned by a comprehensive safety net for those most in need. We also want to ensure that tomorrow's pensioners meet their expectations for a comfortable retirement in later life.

- The Government expects 9 million people (in a range of 8-9 million) to be newly saving or saving more, generating £11 billion a year more (in steady state) in pension saving.

"One in six people alive today will live until they are 100…we will all have to work for longer and save more"

Steve Webb MP, Minister for Pensions

Why? (2)

- Raising the State Pension age will help safeguard the long-term sustainability of the state pension as we all live longer. However, we need to get more people saving and saving more.

- We are radically changing the way people save through workplace pension reform. This introduces a new requirement on all employers to automatically enrol their workers into a pension. This will encourage many more people to save.

- The new State Pension will help people understand what they need to save for their retirement.

- Our plans for reinvigorating workplace pensions will help improve standards and clarify outcomes, enabling people to save with more confidence.

- We are enabling people to have more choice about if, when and how they retire.

When?

April 2010-November 2018

State Pension Age for women increasing to 65 (equalising with men's).

October 2012

State Pensions statements introduced to replace State Pension forecasts.

January 2013

Single Tier State Pensions White Paper published.

April 2014-April 2015

Automatic enrolment for medium employers (50-249 workers).

June 2015-April 2017

Automatic enrolment begins for small employers (49 workers or less).

May 2017

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

October 2012-February 2014

Automatic enrolment began for the largest employers (250 or more workers).

November 2012

Reinvigorating Workplace Pensions published.

March–June 2014

Consultation on Freedom and Choice in Pensions

May 2014

Pensions Act received Royal Assent

April 2015

Introduction of private pension decumulation reforms

October 2015

State Pension Top Up available to those of State Pension age

April 2016

The new State Pension will be implemented from 6 April 2016.

Your role - Local Authorities

- The **State Pension age** is changing:
  - Between April 2010 and November 2018, State Pension age for women is increasing to 65 to equal that of men. Between December 2018 and October 2020, State Pension age for both men and women is increasing to 66.
  - The State Pension age will rise to 67 between 2026 and 2028, with the Pensions Act 2014 having brought this change forward by eight years.
- There will be a periodic review of the State Pension age. This will be based on two reports:
  - A report by the Government Actuary's Department. This will mathematically determine the appropriate State Pension age based on the concept of spending a set proportion of adult life in retirement, currently one third; and
  - An independent review looking at additional factors which could impact State Pension age, such as socio-economic variations in life expectancy, type of employment, and healthy life expectancy.
- It is anticipated that the State Pension age will increase to 68 by the mid-2030s, and 69 by the late 2040s.
- We are modifying Pension Credit to incorporate support for dependent children following the introduction of Universal Credit.

Your role - Employers

- **Automatic enrolment** began in October 2012 with the largest firms, and is being rolled out to all employers over the next five years. Help and support on this for employers is available via the Pension Regulator website, where employers can also work out when the change in the law affects them.

- When the **new State Pension** is introduced, the ability to contract out of the additional state pension will end. We will work with employers to smooth the conclusion of contracting out.

- The workforce is ageing. Employers need to recruit and retain the skills and experience of older workers to support competitiveness.

- **DWP's Age Positive initiative** provides guidance and case studies to employers and businesses on employing older workers and the business benefits of adopting flexible approaches to work and retirement.

Your role - Stakeholders (1)

- **Automatic enrolment** will make it easier for people to save for their future.
- The **new State Pension** will be clearer and will help them take control of their retirement income. The Pensions Act 2014 received Royal Assent on 14 May 2014 and the new State Pension will be implemented from 6 April 2016.
- **State Pension age** is increasing to ensure the state pension system remains sustainable – we published details of the framework for considering future changes to State Pension age as part of the state pension White Paper.
- We want to reinvigorate **workplace pensions** to create a future pensions landscape that gives people high quality schemes to save in with improved outcomes and allows them to have the confidence to save more for their retirement.

Your role - Stakeholders (2)

- We continue to **support pensioners** – both financially and to help them live fuller lives.
- We have **abolished the Default Retirement Age** meaning most people can now retire when the time is right for them.
- We are working with business-led organisations to provide employers with **guidance on employing older workers** and the business benefits of adopting flexible approaches to work and retirement.
- We are modifying **Pension Credit** to incorporate support for dependent children following the introduction of Universal Credit - see detailed information earlier in presentation.

Disability
including Personal Independence Payment

The changes - Overview (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.
- Paul Gray CB carried out the first independent review of the Personal Independence Payment assessment. The findings of the review were published on GOV.UK on 17 December 2014. This is the first of two independent reviews to be undertaken.
- 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.
- **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 is committed to delivering more effective **Specialist Disability Employment Programmes** to help more disabled people, and those with long term health conditions, move into and remain in work. See Employment Offer for more details.

The changes - Overview (2)

- In July 2013, the Government published in a new **cross-government disability strategy, 'Fulfilling Potential'**, which commits to enabling disabled people to fulfil their potential and have opportunities to play a full role in society. As part of this, a new cross-sector **Disability Action Alliance**, has been established to carry forward ideas proposed by disabled people themselves, to help shape and deliver the outcomes disabled people want. The strategy was updated in September 2014.
- In September 2014 the **Accessible Britain Challenge** was launched. The aim of the Challenge is to motivate communities, including local service providers, businesses, employers, community, voluntary and disabled people's groups to do more to be inclusive and accessible for disabled people. To support the Challenge and exemplify and showcase good practice, we have created an online resource that brings together guidance, research, toolkits and good practice. In March 2015, the Accessible Britain Challenge Awards will publicly recognise those communities that are making a difference www.gov.uk/accessiblebritain.
- **Universal Credit** will remove the financial risks for disabled people taking their first steps back into employment. Universal Credit will also 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 or increase their hours as appropriate.

The changes - PIP (1)

Disability

- Under PIP everyone is treated as an individual. Entitlement to PIP is not based on any particular health condition, but depends on the level of support someone needs to be able to carry out a range of activities which are fundamental to everyday life, such as planning and making a journey and communicating with others.
- The first part of the claims process takes place over the phone and we are aiming for people to be able to make claims online from 2015. Most people will have a face to face consultation with a health professional to better understand their needs.
- Awards will be regularly reviewed to ensure that the right support is in place.
- PIP, like DLA, is a non-taxable, non-means-tested cash benefit and is available both in and out of work. It doesn't form part of Universal Credit so continues to recognise and support additional needs.
- DLA will remain for children up to the age of 16 and for existing DLA recipients aged 65 or over on 8 April 2013.

The changes - PIP (2)

- Guidance and tools for stakeholders and support organisations helps them offer advice and support.
- New claims for PIP were introduced nationwide from 10 June 2013, following a controlled start from April in the North West and parts of the North East of England.
- Existing working age Disability Living Allowance (DLA) recipients will be asked to claim PIP at some point - it won't be an option to remain on Disability Living Allowance.
- From 28 October 2013 we started inviting some individuals living in Wales, East Midlands, West Midlands and parts of East Anglia for reassessment. We have extended the areas covered by this reassessment in phases:

  from 13 January 2014 to postcodes beginning DG, EH, TD, ML;

  from 3 February 2014 to postcodes beginning CA, DL, HG, LA, YO;

  from 17 November 2014 to postcodes beginning CH, HD, L and M; and

  from 26 January 2015 to postcodes beginning G, NE, WA, WN, DH, SR, and IV; and

  From 23 February 2015 to postcodes beginning AA, BB, BD, DD, DN, EX, HX, KA, KY, LS, PH, PL, PO, PR, S, SO, TS and WF.

The changes - PIP (3)

- Final decisions on the extension of natural reassessment will be taken in due course and will be informed by the experience of introducing reassessment in a gradual way first.
- Many people who currently receive DLA will continue to receive support – around 74 per cent of the current DLA caseload will continue to receive an award under PIP (by May 2018).
- A greater proportion of participants will get the higher rates, compared to DLA – around 23 per cent of PIP recipients will get a combination of the highest rates compared to 16 per cent on DLA.

The changes - Fulfilling Potential (1)

The cross-sector **Disability Action Alliance**, established in February 2013, has grown to over 370 members, all committed to working in partnership to improve the lives of disabled people. There are currently more than five projects now at various stages. Successes so far include influencing Money Advice Service web pages, and launching the Volunteering Charter.

'Fulfilling Potential, the Government's Disability Strategy' sets out the principles that will guide the Government's future work in supporting disabled people to realise their aspirations, and priority areas for action. It outlines next steps in taking forward the disability strategy, as follows:

- Supporting and encouraging **early intervention and preventative approaches** - critical to disabled people continuing to realise aspirations.
- Enabling disabled people to have increased and **informed choice and control** over their lives.
- Promoting **inclusive communities.**

The changes - Fulfilling Potential (2)

Disability

- The Interdepartmental Ministerial Group (IMG) on Disability has 15 members from across Government. It aims to encourage and stimulate progress to ensure disabled people are included in society and have opportunities to realise their aspirations. It is supported by a Senior Officials Group to help achieve a joined-up approach across government

- The Fulfilling Potential Forum brings together 40 disability organisations, including representatives of regional Disabled People's User-Led Organisations, to work with Government on developing strategy. The Forum meets quarterly and is co-chaired by the Minister of State for Disabled People and the Minister of State for Care and Support.

- In July 2011 the Disabled People’s User Led Organisation (DPULO) Programme was launched. The aim of the Programme was to build capacity of grass-roots organisations and strengthen the local offer for disabled people. The Programme has successfully provided funding of £3 million to 177 DPULOs to deliver a variety of projects across the UK.

The changes - Universal Credit (1)

Disability

- We will support all disabled people who are able to work, to do so. We will ensure those who do work are financially better off by providing generous work allowances and then applying a taper rate for earnings above the work allowance rate. This will remove barriers disabled people who can only do small or fluctuating amounts of work due to a health condition face in the current welfare system.

- Additional elements for disabled people with limited capability for work or work related activity will be available to people out of work and some of those in work, strengthening incentives for people to move into work and stay there.

- Universal Credit will ensure disabled people are treated as individuals, receiving support to get into work based on their needs, rather than the benefit they receive.

The changes - Universal Credit (2)

Disability

- Universal Credit will have a No Work Related Requirements Group, which will provide unconditional support to disabled people who are unable to work. The resources released from reforming the existing adult disability premiums will be refocused to enable more support to be targeted at those disabled people facing the most complex barriers. The Government intends to raise the support component for the most severely disabled people from the equivalent of around £33 to £77 once resources become fully available.

- Under Universal Credit, families and children will be able to receive an amount in their Universal Credit award for each dependent child, called the child element.

The changes - Disability and Health Employment Strategy

Disability

- The Government published **'The disability and health employment strategy: the discussion so far'** in December 2013. The paper focuses on **early intervention** to enable and support disabled people and people with a health condition stay in, return to and progress in work.
- The **Health and Work Service** will be launched across the UK later in 2014, offering online support and advice for employers, employees and GP's
- A **personalisation pathfinder** will take forward learning from the Right to Control pilots and test new approaches to service delivery.
- The **Psychological Wellbeing and Work** pilots will test new approaches to improve employment outcomes for people with mental health conditions.
- We are exploring new models for supporting disabled people back into work with our **Social Impact Bond** (SIB) feasibility study, in partnership with Social Finance UK.
- A **Disabled Young People's Portal** and an improved **Employers Portal** were launched in July 2014 to provide guidance and signposting on Gov.uk
- Proposed reforms to the **"Two Ticks"** Disability Symbol will seek to extend the reach of the scheme and to engage many more employers, raising awareness and improving service to employers and workers.
- The **Disability Confident** campaign reached over 1,100 employers and in July 2014 delivered to MPs the tools they need to hold Disability Confident events in their constituencies, bringing together local businesses and job-ready disabled people.

The changes – Access to Work

- Access to Work (AtW) is a programme for individuals whose health or disability affects the way they do their job. It provides individuals and their employers with advice and support with extra costs which may arise because of an individual's needs. The support it can provide includes specialist aids and equipment, support workers and travel to work. It currently helps around 30,000 disabled people a year.
- AtW support is being made more widely available to deliver enhanced outcomes for disabled people, including people wishing to start their own business through the New Enterprise Allowance scheme.
- AtW is now supporting young disabled jobseekers to gain vital work experience through AtW, included Supported Internships, Traineeships and Sector Based Work Academies.
- AtW can also provide assistance via the Mental Health Support Service to support individuals with mental health conditions to remain in work.
- Work has also been undertaken to modernise the service offering and delivery of AtW, for example, we have introduced a fast-track assessment process.

The changes - WCA

Disability

- It is now almost five years since the Work Capability Assessment (WCA) was introduced. Since its introduction, three independent reviews into the WCA have been conducted by Professor Harrington.
- 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.

Why? (1)

- We want to ensure that the right support and the right environment are in place at every life stage so that disabled people can realise their aspirations for education, training, work and independent living.
- The disability strategy aims to facilitate this through a new partnership approach across the private, public, voluntary and community sectors, through an improved knowledge and understanding of the nature of disability in the UK today, and through specific local and national actions.
- Disability Living Allowance (DLA), relatively unchanged since 1992, is in outdated benefit with unclear criteria and inconsistent awards. Numbers claiming DLA have increased by a third in the last 10 years (to 3.3 million).

Why? (2)

- Only 9 per cent of disabled people have never worked, but more than one third of disabled people who are not in employment would like to work. Through spending on individuals not institutions, Access to Work (AtW) can help more disabled people realise their aspirations.

- People with impairments experience much higher barriers to education and training opportunities than their peers – at the age of 16, young disabled people are twice as likely not to be in any form of education, employment or training as their non-disabled peers. By giving young disabled jobseekers the support they need to gain work experience and training, AtW will address this imbalance.

- The improvements we have made to the Work Capability Assessment since 2010 are making a real difference. By continuing to refine the system to make it fairer and more accurate we can ensure that people who are able to work get the encouragement they need to get a job, while those who are too sick to work get real support.

When? 2012

Disability

September 2012 to March 2013

General Awareness Marketing Campaign targeting disabled people, employers and stakeholders.

Digital Marketing activity targeting young disabled people.

Built awareness of support Access to Work can deliver to those with Mental Health conditions.

October 2012

Access to Work extended to young people on work experience.

Autumn 2012-Spring 2013

Communications to stakeholders via DWP corporate channels about Access to Work.

December 2012

Independent Living Fund consultation response announced.

When? January - July 2013

Disability

February 2013

Fulfilling Potential: Building a Deeper Understanding of Disability launched.

Disability Action Alliance (DAA) launched

Early 2013

PIP toolkit for support organisations launched.

Spring 2013

Update Access to Work pre-employment eligibility.

June 2013

New claims for PIP introduced nationally.

DAA project – Blackpool Transport launched Safe Journey card.

July 2013

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

Launch of Disability Confident campaign

February 2013

General information about PIP sent to all existing Disability Living Allowance claimants in their Disability Living Allowance uprating letters.

Implementation of stronger Access to Work Triage in operational environment.

March 2013 onwards

Work commenced to improve Access to Work service offering including:

Strengthening independent travel.

Transferable awards.

Simplifying Access to Work assessment.

April 2013

Controlled start for New Claims to PIP for those living in the North West and parts of the North East of England.

Marketing activity to promote Access to Work through corporate, media and stakeholder channels: building general awareness and targeting disabled people out of work, Young Disabled People and those who become disabled in work.

When? September 2013 – July 2014

Disability

September 2013

Results from consultation of mobility component of PIP published.

October 2013

Reassessment of some existing Disability Living Allowance claims for PIP begins for people living in Wales, East and West Midlands and part of East Anglia (changes in condition or end of award).

Continuation of Access to Work marketing activity.

December 2013

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

Publication of Disability and Health Employment strategy

DAA project – Money Advice Service launched 'Life Events' web resource for people who become disabled.

2014

Online claims for PIP will be available.

January and February 2014

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

March 2014

Publication of response to Litchfield review into WCA.

First Inter-Departmental Ministerial Group on Disability meeting

April 2014

Fulfilling Potential Forum established

Disability

When? August 2014 - 2015

September 2014
Publication of Fulfilling Potential progress report
Accessible Britain Challenge launched

November 2014
Expansion to further areas of reassessment of some DLA claimants to claim PIP.

Late 2014
Health and Work Service launched

December 2014
First independent review of PIP reassessment published

January and February 2015
Expansion to further areas of reassessment of some DLA claimants to claim PIP.

March 2015
Accessible Britain Challenge Awards

October 2015
Reassessment of remaining Disability Living Allowance caseload for PIP begins.

Your role - Local Authorities (1)

Disability

PIP

- You can find guides and support tools online at gov.uk/dwp/pip-toolkit
- You can help by raising awareness of the changes planned, signposting to support and reassuring existing claimants.
- Practical steps, such as issuing the right leaflets and forms, can make a real difference. The toolkit explains how you can help.

Universal Credit

- Universal Credit will make it easier and less worrying for claimants to try out a job or work more hours, because their benefits will not automatically stop if they do so.
- The resources that can be released from reforming the existing adult disability premiums will be refocused to enable more support to be targeted at those disabled people facing the most complex barriers.

Your role - Local Authorities (2)

Fulfilling Potential

- 'Fulfilling Potential' sets out a new approach: one of partnership and support. It establishes a new cross-sector Disability Action Alliance. The Government will be joining forces with disability organisations and the public and private sectors to change attitudes and create inclusive communities around the country. You can join the Alliance at www.disabilityactionalliance.org.uk

Access to Work

- Access to Work (AtW) is a specialist disability employment programme delivered by Jobcentre Plus, which provides practical advice and support to disabled people and their employers to help them overcome work-related obstacles resulting from disability.
- AtW is provided where the employee requires support or adaptations beyond those "reasonable adjustments" which an employer is legally obliged to provide under the Equality Act 2010. It is not there to duplicate funding available from other sources.

Your role - Stakeholders (1)

PIP

- We have recognised the need to reform Disability Living Allowance – more than 500 organisations and 5,000 individuals gave their views.
- Support organisations and individuals have helped shape the design and delivery of PIP.
- Key changes include assessment by a health professional (usually face to face), regular reviews and claims will be started over the phone.
- We will support you with guides, factsheets and tools at gov.uk/dwp/pip-toolkit to help you offer the best advice. Practical steps, such as issuing the right leaflets and forms, can make a real difference. The toolkit explains how you can help.

Fulfilling Potential

- 'Fulfilling Potential' sets out a new approach: one of partnership and support. It establishes a new cross-sector Disability Action Alliance. The Government will be joining forces with disability organisations and the public and private sectors to change attitudes and create inclusive communities around the country. You can join the Alliance at www.disabilityactionalliance.org.uk
- The Fulfilling Potential Forum enables 40 disability organisations to engage with Government on developing strategy.

Your role - Stakeholders (2)

Disability

<u>Universal Credit</u>

- Universal Credit will make it easier and less worrying for claimants to try out a job or work more hours, because their benefits will not automatically stop if they do so.

- The resources that can be released from reforming the existing adult disability premiums will be refocused to enable more support to be targeted at those disabled people facing the most complex barriers.

- There will be no cash losers in the rollout of Universal Credit at the point of change where circumstances remain the same, and the Government estimate hundreds of thousands of disabled people will be better off.

Your role - Stakeholders (3)

Disability

Access to Work

- We have implemented a range of improvements following Liz Sayce's recommendations on Access to Work ***Getting in, staying in and getting on***
- We currently invest around £100m on Access to Work each year, to support around 30,000 disabled people in work.
- We have seen a growth in disabled people supported by Access to Work to get and retain employment.

Housing Support

The changes (1)

- 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 into local schemes. Support for pensioners will continue to be governed by a national framework.
- In addition, since April 2013, **Local Housing Allowance rates have been uprated annually**. In April 2014, rates were generally increased by a maximum of 1 per cent. This will be repeated in April 2015.
- The government 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. £45 million for 2014/15 with a further £95 million available in 2015/16 to help those areas where rents are rising fastest.

The changes (2)

- Since April 2013 Housing Benefit for working age tenants renting from a local authority, housing association or other registered social landlord has been restricted where people live in a property that is too large for their needs.
- The restrictions are based on the number of people living in the property and assessed using the current Local Housing Allowance size criteria rules which allow one bedroom for:
  - an adult couple (married or unmarried) where at least one partner is working age
  - any other adult aged 16 or over
  - any two children of the same sex aged under 16
  - any two children aged under 10
  - any other child (other than a foster child or child whose main home is elsewhere)
- Where a property is deemed ‘under occupied’ the eligible rent under Housing Benefit will be reduced by 14 per cent if under occupied by one room and 25 per cent if under occupied by two rooms or more.

The changes (3)

- Disabled children who would usually be expected to share are allowed an additional room if they have middle or higher rate care component of DLA and are unable to share due to their disability.
- Size criteria also allow one bedroom for a non-resident carer where a tenant or their partner is a disabled person who needs overnight care.
- Foster carers are allowed one additional room so long as they have fostered a child or become an approved foster carer within the last 52 weeks, whether or not they have a child placed with them or are between placements.
- Wives or husbands of those serving in the Armed Forces are unaffected by these changes. Parents with adult children in the armed forces (or reservists) who normally live with them will be able to retain the bedroom for that adult child when they are deployed on operations.

The changes (4)

- 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.

Why?

- Housing Benefit expenditure has increased by 50 per cent in real terms over the last decade, and unreformed was forecast to reach over £26 billion by 2014/15.
- Reforms will ensure that people claiming benefits face the same choices about their housing as low income working households not claiming benefits. It is counterproductive to sustain people in expensive central London properties that they would not be able to afford without Housing Benefit.
- They also remove one of the key differences between the social sector and private sector housing, by basing entitlement on the needs of the household rather than the property.
- Uprating Local Housing Allowance rates annually brings the system in line with other benefits, including Universal Credit and Pension Credit. Limiting increases to 1 per cent will exert downward pressure on rents, and the additional funding will help ensure that people are not priced out of hot rental markets.

When?

Housing Support

April 2013

Local Housing Allowance rates uprated annually by reference to the Consumer Price Index or 30th percentile of local rents.

Removal of the spare room subsidy came into force.

Introduction of localised support for Council Tax.

May 2013

Interim report on Local Housing Allowance monitoring and evaluation research.

October 2013

Supported Exempt Accommodation will be met outside of Universal Credit and in the interim broadly administered as now.

Progressive roll out of Universal Credit begins – further 6 Jobcentres taking new claims by Spring 2014

Any Universal Credit recipients moving into temporary accommodation will have housing costs met under the Local Housing Allowance rates.

April 2014

Local Housing Allowance uprating limited to 1 per cent – some rates targeted to receive a higher increase of up to 4 per cent

July 2014

Publication of final report on LHA monitoring and evaluation research.

Publication of interim evaluation of Removal of the Spare Room Subsidy.

Your role - Local Authorities (1)

- Local authorities will continue to have responsibility for administering Housing Benefit and introducing the reforms outlined for Housing Benefit claimants. Housing Benefit for working age social rented sector claimants will be restricted for those who are occupying a larger property than their household size and structure needs.
- Local authorities will have the freedom to determine who should qualify to go on their housing waiting list and to develop local solutions which make the best use of limited stock.
- The Welfare Reform Act 2012 provides for the abolition of Housing Benefit. Support for housing costs for working age claimants will be provided within Universal Credit, as part of a single monthly payment.
- Current arrangements of rental support for pensioners via Housing Benefit will therefore need to remain in place until at least the financial year 2017/18.

Your role - Local Authorities (2)

- The housing costs of those in Supported Exempt Accommodation will be met outside Universal Credit and in the interim broadly administered as now. For the longer term we are exploring a range of options, including the feasibility of a localised funding system.
- Temporary accommodation cases in Universal Credit will have the housing costs met in line with the Local Housing Allowance rates in the private rented sector.
- Our intention is that the management element for temporary accommodation cases in Universal Credit will be separated out and paid directly to local authorities, however this requires new primary powers. In the interim Discretionary Housing Payments are available to local authorities. We will develop a longer-term solution with stakeholders and other Government departments."

Owner Occupier Housing Costs

Owner Occupier Housing Costs

What's changing?

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 2016. The capital limit for claimants in receipt of State Pension Credit remains £100,000.
- 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.

Why?

Owner Occupier Housing Costs

- Reforms will provide for a simple and transparent approach for Owner Occupier Housing Costs in Universal Credit. This will be much clearer for claimants, much simpler for administrators, and provide value for money for taxpayers.

Benefit Cap

The changes (1)

- From 15 April 2013 a cap was introduced on the total amount of benefit that working age claimants can receive. The level of the benefit cap is based on average earnings (after tax and National Insurance) for 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.
- 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.
- Households in receipt of Working Tax Credits are exempt from the cap, as are:
  - those entitled to Working Tax Credit.
  - 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 & Support Allowance). *(Please note that adult children living in the household, and receiving a benefit in their own right, would not normally count as part of the household for the purposes of the benefit cap).*
  - War widows and widowers and those in receipt of War Disablement Pension or equivalent payments under the Armed Forces Compensation Scheme.

The changes (2)

- 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 allows people time to find alternative employment or consider other options to avoid the impacts of the cap.
- To help those affected, employment support is available from Jobcentre Plus, the Work Programme or the Work Choice programme as appropriate.
- 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).

Why?

- The benefit cap is a key part of welfare reform and aims to achieve long term positive behavioural effects through changed attitudes to welfare, responsible life choices and strong work incentives.
- Finding work and qualifying for Working Tax Credit may be the best way to ensure the cap doesn’t apply and employment support will be offered to all those affected. Other ways of minimising the effects of the cap will be to negotiate rents to a more affordable amount, or move to cheaper accommodation.
- A recent evaluation of the benefit cap following its first year of operation has provided consistent evidence that the benefit cap is changing attitudes and behaviours and encouraging people into work.
- Transitional support to help manage families into more appropriate accommodation will be available to local authorities in the form of Discretionary Housing Payments.
- DWP is providing additional funding for the Discretionary Housing Payments Scheme of up to £110 million – £65 million in 2013/14, and up to a further £45 million in 2014/15.

Your role - Local Authorities

- The cap is being administered by local authorities through deductions from Housing Benefit payments or through Universal Credit.
- Local authorities can make additional payments to people entitled to Housing Benefit where the person needs temporary help with housing costs. These Discretionary Housing Payments should be prioritised for claimants, who as a result of a number of complex challenges, cannot move immediately into work or more affordable accommodation.
- There is a range of support available locally for those who are affected. It is important that claimants discuss their options with their local authority as well as Jobcentre Plus. Jobcentre Plus Districts are working closely with local authorities in their area to offer joint support.

Your role - Stakeholders

- It is important that claimants affected by the benefit cap are aware of the support available to them. Advisers should help them understand this and encourage a proactive response to finding work, so the cap will not apply to them.
- Support is available from Jobcentre Plus, local authorities and a range of stakeholders to help claimants overcome barriers and move into work or consider other options available to minimise the effects of the cap.
- Local voluntary and community-based organisations have a lot to offer jobseekers. Advisers who know the local area and the gaps that need filling can help claimants to maximise these opportunities by providing support to build confidence and develop relevant skills.

Social Fund

Department for Work & Pensions

The changes

- 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.

Why?

The Social Fund has been in existence for 20 years and has not kept pace with changes in welfare delivery. Social Fund Reform involves the ending of some of the centrally administered discretionary Social Fund (Community Care Grants and Crisis Loans) and the introduction of Local Welfare Provision.

Your role - Local Authorities (1)

- Crisis Loans and Community Care Grants, parts of the discretionary Social Fund, were abolished on 1 April 2013.

- All of the funding that DWP is allocated for the discretionary Social Fund, £178.2 million per annum, will be transferred to local authorities in England and the Scottish and Welsh Governments to develop their own Local Welfare Provision schemes from 1 April 2014 (as it was in 2013). This will be the last year of separate funding from DWP.

- From April 2015 onwards, local authorities can continue to manage their support from within their general fund. Local authorities are the best judge of needs and priorities within their areas, so it is right for them to choose how much funding to allocate to Local Welfare Provision services and how to provide such support.

Your role - Local Authorities (2)

- DWP does not expect local authorities or devolved administrations to replicate the current system in whole or in part, but rather to align with, and extend, existing support and provision provided locally.
- Support in this way will be better targeted at those groups and individuals who need it most, particularly vulnerable people who struggle with the complexity and remoteness of the current system.
- Provision will be reviewed in 2014/15.
- Contact your local DWP Partnership Manager for more information (not Jobcentre Plus).
- More information is available on the DWP website.

Your role - Businesses

- Community Care Grants and Crisis Loans were abolished on 1 April 2013.
- The Reform is part of the localism agenda, moving away from a remote and centralised system.
- Local Welfare Provision provides the opportunity to develop a local system that builds upon programmes and services already in place.
- Local authorities and the devolved administrations may choose to work with partner organisations in designing and delivering their local schemes.

Employment Offer

The changes - Overview

Significant changes have been made to the **welfare-to-work programmes** available to Jobcentre Plus claimants, including:

- **Universal Jobmatch**, an online job posting and matching service for both employer / recruiters and jobseekers.
- **Youth Contract**, including the Wage Incentive, a programme to get more young people into meaningful employment, training or work experience.
- **Work Programme**, offering greater freedom to tailor support to the needs of each claimant.
- **Help to Work** - from April 2014, Jobseeker's Allowance claimants returning from the Work Programme will go onto one of three intensive modes of support, determined by a Jobcentre Plus adviser/work coach and according to need.
- **Work Choice**, a specialist disability employment programme, launched in October 2010, provides tailored support to help disabled people who face the most complex barriers to find, and stay in, work.
- **Spending Review 2013 measures** – since April 2014, pre-Work Programme Jobseeker's Allowance claimants and certain lone parents and responsible carers have been subject to a number of measures which increase conditionality and support.

The changes - Universal Jobmatch (1)

Employment Offer

- Universal Jobmatch provides employers/recruiters with an improved digital recruitment service offer to set up and manage their account at a time that suits them.

- Employers/recruiters can receive an anonymous list of potential matches, ranked in a percentage order, so that they can judge the local labour market before posting a job, allowing them to invite those anonymous jobseekers to apply for their position. This can help to speed up the whole recruitment process as well as assisting with reducing costs.

- By setting up an account, jobseekers can make full use of the new service, including creating, copying or uploading a public CV, sending a cover letter with their CV, receiving automated matches to jobs and email alerts when new jobs are posted. Without an account, jobseekers will only be able to search for jobs.

The changes - Universal Jobmatch (2)

- JSA claimants will be automatically matched to jobs, whereas before they could only search for jobs. By simplifying their job search, they can receive more targeted support from advisers, such as coaching in CV writing;
- Jobcentre Plus Work Coaches can issue a Jobseeker's Direction to mandate certain JSA claimants to create a profile and public CV within Universal Jobmatch; and
- Work Coaches can review a JSA claimants account (with permission from the claimant) by analysing CVs, job matching, training and application history etc. As a result of this, they give JSA claimants a tailored high quality support assisting them to optimise their CVs and identify any skills gaps to help them back into work.

There are currently:

- 8.4 million jobseekers registered on Universal Jobmatch
- 3.5 million average daily job searches;
- 465,000 jobs available;
- 648,000 company accounts set up.

The changes - Youth Contract (1)

- The Youth Contract was introduced in April 2012 to provide additional support to young unemployed people over three years.

- The Youth Contract builds on existing support to provide young people with more intensive adviser support and work experience, as well as providing employers with wage incentives and apprenticeship grants to encourage them to recruit young people.

DWP elements:

- An additional 250,000 work experience or sector-based work academy places available. Between April 2012 and November 2014 there have been:
  - 198,080 starts to a work experience placement by 18 to 24 year olds;
  - 83,530 participants at sector-based work academy pre-employment training by 18 to 24 year olds.

- Additional adviser support through Jobcentre Plus available for all 18-24 year olds.

(continued over)

The changes - Youth Contract (2)

- The wage incentive has provided nearly 100,000 job opportunities for young people. It was always intended to be a time-limited measure, designed to support employers during the recession.
- The economy is recovering, the UK has witnessed the biggest annual drop in youth unemployment since records began and the youth claimant count has fallen for each of the past 33 months. Compared to a year ago, there are 133,200 fewer young people on JSA. Added to that, there are now over 200,000 more open vacancies than at the election. Our focus now is to make sure young people have the skills they need to take up these vacancies.

Other elements:

- Claimants that need it are referred for a careers interview with the National Careers Service by Jobcentre advisers.
- An additional 20,000 Apprenticeship Grants for Employers (AGE 16-24) to encourage starts into apprenticeships are being made available by the National Apprenticeship Service.
- £126 million is being made available by the Department for Education to provide support for 55,000 of the most disengaged 16-17 year olds not in education, employment, or training (NEETs).

The changes – Spending Review 2013 measures (1)

- In the Spending Review 2013, a package of measures were agreed to deliver increased conditionality and compliance requirements.
- These measures maintain the momentum to help claimants enter employment at the earliest opportunity.
- Five of these measures were introduced from 28 April 2014. Some of these were phased in (between April and October 2014), and one was introduced in England only from 28 April 2014.
- Four measures have been introduced for pre-Work Programme JSA (new and old style) and those Universal Credit (UC) claimants subject to intensive work search requirements:
  - All claimants making a new claim to JSA and UC claimants (those who are subject to intensive work search requirements) need to demonstrate positive jobseeking behaviours from day one. Prior to their Initial Work Search Interview, claimants are requested to: set up an email address, prepare a suitable CV, and register on Universal Jobmatch;

(continued over)

The changes – Spending Review 2013 measures (2)

Employment Offer

- Weekly Work Search Reviews have been introduced for 50 per cent of claimants. Work Coaches will use discretion to call claimants in for an additional work search review;
- All claimants are required to attend a 20 minute Quarterly Work Search Interview every 13 weeks, to review the previous quarter's activities, skills, Jobseeker's Agreement (JSAg) / Claimant Commitment and widen the claimant's work search;
- Under the English Language Requirement, all claimants are screened to identify those with English speaking and listening skills below Entry Level 2 at the Initial Work Search Interview. Identified claimants are mandated to a full assessment completed by a provider and where appropriate, mandated to attend English Language Training to improve their language skills, with the intention of improving their prospects of finding employment.

The changes – Spending Review 2013 measures (3)

- The fifth measure is increasing Lone Parent conditionality (ILPC).
  - Previously lone parents who were entitled to Income Support (IS), solely on the basis of being a lone parent, had to attend regular Work-focused Interviews (WFIs) once their youngest child reached the age of one. From April 2014 the frequency and duration of WFIs for this group has been determined by advisers, enabling support to be more tailored to meet the needs of the lone parent.
  - Mandatory Work-Related Activity (WRA) has also been introduced for certain lone parents and responsible carers with a youngest child aged 3 or 4. Activities are flexible, tailored to the individual, and must be reasonable taking into account the parent's circumstances. WRA may not be used to require the claimant to apply for or take up work.

(continued over)

The changes – Spending Review 2013 measures (4)

- After the regulations came into force, those lone parents on Income Support (England only), UC and ESA in the scope of these changes were made aware that if they volunteered for the Work Programme as their chosen WRA, their participation would become mandatory. Those lone parents who were already participating in the Work Programme when the changes came into force remained so in a voluntary capacity - except for those whose youngest child turns 3 or 4 during the 2 year Work Programme then their participation becomes mandatory.

- The changes apply to lone parents who are entitled to IS solely on that basis; or claim ESA and are in the work-related activity group (WRAG). Under UC and new-style ESA, WRA will apply to lone parents and responsible carers with a youngest child aged 3 or 4 who are placed in the work preparation group.

The changes - Work Programme (1)

- The Work Programme was launched on 10 June 2011 and is now in place nationally. It is the biggest single payment by results employment programme Britain has ever seen, providing personalised support to an expected 2.3 million claimants over the life of the contract.

- The Work Programme has replaced much of the complex range of employment support previously on offer including the New Deals, Employment Zones and Pathways to Work.

- From June 2013, the majority of Jobseeker's Allowance claimants returning from the Work Programme will be referred to a Mandatory Intervention Regime, an intensive Jobcentre Plus regime which was trialled last year as part of the Support for the Very Long Term Unemployed trailblazer.

- Referral to the Work Programme is being made mandatory for specific income-related Employment and Support Allowance claimants in the Work Related Activity Group. This means more claimants with longer term health conditions will receive the help and support they need to begin preparing for, and eventually returning to, work.

The changes - Work Programme (2)

- Up to the end of June 2014, 1.51m have been on the Work Programme long enough to achieve a Job Outcome (three or six months depending on their Payment Group).
- 331,000 Job Outcome payments were made to providers, which represents 22 per cent of eligible referrals.
- Far more people have started work but not been in work long enough to be captured by the statistics – six months in most cases, or three for the hardest to help. Over 600,000 people have now started a job, an increase of over 50,000 over the last quarter (up to end of March 2014).
- Up to the end of June 2014, 2.85m sustainment payments had been made for 314,000 people. This compares to 2.36m sustainment payments spread over 274,000 participants at the end of March 2014.
- To date approaching 108,000 claimants have stayed in sustained employment long enough to qualify for the maximum number of sustainment payments possible. (Note: To achieve the maximum number of sustainment payments takes a minimum of a year and a half in employment.)

The changes – Help to Work

- Since April 2014, Jobseeker's Allowance claimants returning from the Work Programme go onto one of three intensive modes of support.
- The type of support are tailored to their individual needs as determined by Jobcentre Plus advisers/work coaches.
- The three options are:
  - Going on the Mandatory Intervention Regime (MIR), an intensive offer of support currently operating in Jobcentre Plus
  - Signing on at a Jobcentre every day for an extended period
  - Going on a six-month Community Work Placement (CWP) for 30 hours a week, alongside provider-led jobsearch. (In England, CWPs are part-funded by the European Social Fund, under DWP's co-financing agreements.)
- Supervised Jobsearch Pilots will run in four Jobcentre Plus Districts from October 2014 to March 2015.
- The pilots will test the impact of supervised jobsearch support to claimants who either need support and supervision early in their claim (pre-Work Programme), or who have already received support from Jobcentre Plus after completing the Work Programme (post-Work Programme).

The changes – New Enterprise Allowance

- New Enterprise Allowance (NEA) helps eligible people who want to start their own business. It is available to: people aged 18 and over who are claiming Jobseeker's Allowance (JSA); Employment and Support Allowance (ESA) claimants who haven't yet been mandated to the Work Programme; lone parents in receipt of Income Support; and people who are claiming Income Support because of sickness or disability. NEA provides access to business mentoring and offers financial support.
- Participants work with a business mentor who provides them with guidance and support as they develop their business idea, and supports them through the early stages of trading.
- To be eligible to receive financial support, the claimant has to demonstrate that their business idea is viable and have their business plan approved by one of our providers. The financial support consists of a weekly allowance payable over 26 weeks' worth up to £1,274 - allowing them to establish their business and cash flow – and if they need start-up capital, they may also apply for an unsecured loan through the BIS start-up loan scheme.
- The NEA is available across Great Britain.
- An extension to the scheme to 2015/16 was announced in the Autumn Statement 2013.

The changes - Work Choice (1)

- Launched in October 2010, Work Choice is a specialist disability employment programme. It provides tailored support to help disabled people who face the most complex barriers to find and stay in work, and ultimately help them progress into unsupported employment, where it is appropriate for the individual.

- Work Choice provides a better experience for the participant, moving away from a ‘one-size-fits-all’ approach.

- Work Choice is voluntary and available regardless of any benefits being claimed.

The changes - Work Choice (2)

- Work Choice provides disabled people with complex barriers to employment and more intensive support needs with a seamless service covering all stages of the journey into work:

  - finding a job and preparing to enter work;

  - short to medium-term in-work support or longer-term in work support;

  - progression into open unsupported employment, where appropriate for the individual;

  - support for self-employment (where applicable).

- Work Choice can provide an indefinite period of support once the claimant is in work, unlike mainstream employment provision. This is in recognition of the fact that some Work Choice participants may need ongoing support to overcome barriers in work that cannot be met through normal workplace adjustments.

Why?

- At the core of the Government's Welfare Reforms is the belief that employment is the best option. The changes that have been made to the welfare-to-work programmes focus on providing a highly personalised service, to ensure as many people as possible find employment as quickly as possible.

- These changes also ensure that help is targeted at those who need it most.

"Support should be targeted to individual needs. Different people need different things, it needs to be personalised."

Long term unemployed respondent

When?

Employment Offer

10 September 2012 onwards

Employment and Support Allowance claimants with a 3 or 6 month prognosis, and who had previously received support from Pathways to Work, mandated to the Work Programme.

November 2012 onwards

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

November 2012

Universal Jobmatch introduced.

June 2013 onwards

The majority of JSA claimants returning from the Work Programme will be referred to the Mandatory Intervention Regime.

Summer 2013

The first Work Programme claimants finish their 2 years with providers. Structures will be in place to support these claimants by this time.

April 2014

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

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

Autumn 2014

Start date for Supervised Jobsearch Pilots (October 2014 – March 2015)

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

Your role - Local Authorities

- Jobcentre district managers, employers and local authorities will have the autonomy to work together in partnership to ensure provision is locally managed and adapted to local needs.

- The Work Programme offers local authorities the chance to engage with and support local, productive voluntary sector organisations.

- Jobcentre Plus managers and advisers are given as much flexibility as possible, using their skills to give claimants the help they need.

- The primary referral route into Work Choice is through Jobcentre Plus Disability Employment Advisers. Referrals can also be made by Statutory Referral Organisations such as Primary Care Trusts and local authorities.

Your role - Stakeholders (1)

<u>Companies</u>

- Universal Jobmatch will provide employers with an enhanced online recruitment service, automatically matching employers' jobs to suitable jobseekers, and helping to speed up the whole recruitment process.

<u>Employers</u>

- Research suggests that far from being too complex, the government's employment message and offers are simple to engage with.

- Youth Contract: Employers will be offered a wage incentive of £2,275 to recruit a young person into sustainable work. There will also be 20,000 extra incentive payments available worth £1,500 each for employers to take on young Apprentices, bringing the total number of Apprentices to 40,000.

Your role - Stakeholders (2)

Businesses

- The Work Programme is delivered through contracted provision. Provider performance will be managed and reviewed across the life of the contract (5 years).

- Work Programme providers have the freedom to provide support based on the needs of individuals. Payment is largely awarded for keeping people in work for a sustained period of time, but as providers will have 2 years to work with claimants, there is a real incentive to invest in claimant support.

- Increasing the mandatory referral of Employment and Support Allowance claimants to the Work Programme, and therefore the number of overall claimants on the Programme, is expected to positively impact business models and supply chains.

Your role - Stakeholders (3)

<u>Businesses</u>

- Work Choice is delivered by 8 prime providers across 28 Contract Package Areas. It is also delivered separately by Remploy in 23 Contract Package Areas across England, Scotland and Wales.

- Work Choice includes associated sub-contractors from the private, public and voluntary sector. These have specialist knowledge and skills for working with, and supporting, disabled people.

Fraud & Error

The changes (1)

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 in the first instance; **detect** and **correct** fraud and error where it does exist; deliver tough **punishments** for those who defraud the system; and **deter** those who would try to abuse the system in future.

PREVENT	DETECT	CORRECT	PUNISH	DETER
Stopping fraud and error getting into the system in the first place	Increasing the likelihood of finding incorrect and fraudulent claims	Quickly putting incorrect cases right, getting back what we're owed	Strengthening penalties for those caught	Publicise harsh punishments and the high likelihood of being caught

- We will also improve our regime for monitoring and evaluating performance to ensure resources are focused on areas of greatest financial loss and risk.

The changes (2)

Prevent:

- **New prevention capability** - The Department will deliver a new fraud and error prevention capability using data and intelligence, and enhanced analysis methods, to assess risks in new and existing benefit claims, and support targeted interventions by specialist investigation teams.

- **ATLAS** - Automatic Transfer to Local Authority Systems (ATLAS) is an IT system which allows data to be exchanged with local authorities on Housing Benefit and Council Tax Benefit to ensure claims stay correct.

- **RTI** - Real Time Information on earnings reduces the opportunity to defraud the system and keeps payments correct.

The changes (3)

Fraud & Error

Detect:

- **SFIS** - We have begun the implementation of a Single Fraud Investigation Service (SFIS) from July 2014, initially in a small number of sites. This is an improved way of working that will mean a single fraud investigator can investigate all types of welfare benefit fraud, including DWP benefits, Housing Benefit and Tax Credits. Single fraud investigations will be delivered by the new DWP Fraud and Error Service and we are working with our partners in HMRC and local authorities to make sure we implement the service safely. Implementation continues from October 2014 through to March 2016 on a rolling programme.

- **Campaign Management** - 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.
- Behavioural change initiatives are being trialled and will be evaluated and the analysis together with lessons learned will be used to inform the development of a revised Fraud and Error strategy.

The changes (4)

Correct:

- We are working to ensure all overpayments are recovered as quickly and efficiently as possible and are ensuring staff have the right expertise to deliver the right amounts to claimants.

- 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 report changes; 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.

- DWP can recover debt by a variety of means. Options include Direct Earnings Attachments and where appropriate, use of Private Sector Partners. Fraudsters can be subject to confiscation orders and higher deduction rates.

- DWP introduced the use of Direct Earnings attachments to enforce the recovery of debt directly from the earnings of DWP debtors that refuse to enter into voluntary debt repayment arrangements.

The changes (5)

Punish:

- **Administrative Penalties** - 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.

- **Loss of Benefit Penalties** - 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 (6)

Deter:

- Our communications will continue to focus on deterrence. Our suggested approach differs from previous communications campaigns by emphasising personal consequence of being convicted of fraud, showing clearly that fraudulent claimants' children, families and communities are the victims of their crime.

Why? (1)

- Despite the progress in reducing benefit fraud, there is still an unaffordable and unacceptable level of both fraud and error in our benefit systems.

- Benefit overpayments caused by fraud and error preliminary 2013/14 were estimated to be £3.3 billion or 2.0 per cent of benefit expenditure:

  – overpayments because of fraud – £1.2 billion, or 0.7 per cent of benefit spend;

  – overpayments because of official error – £0.7 billion or 0.4 per cent of benefit spend; and

  – overpayments because of claimant error – £1.5 billion or 0.9 per cent of benefit spend.

Why? (2)

- The high level of fraud and error in our system is also a major driver for moving from our current complex benefit system to Universal Credit. With Universal Credit's introduction, the benefits and tax credits systems will be made simpler and as far as possible, the opportunities for fraud and error will be greatly reduced.

- The Fraud and Error Strategy is therefore key to the Government’s Welfare Reform Agenda, helping to make the benefit system fairer and tackle the level of loss. We are modernising the Fraud and Error agenda, using latest techniques to prevent and detect fraud, and ensure benefit claims are accurate.

When?

Fraud & Error

May 2012

New Administrative Penalty introduced

November 2012

Single Fraud Investigation Service initial pilots went live.

1 April 2013

Tougher Loss of Benefit regulations commenced.

October 2012

Civil Penalties introduced.

December 2012

Mobile Regional Taskforce pilots went live in Dundee and Manchester.

July 2014 – March 2016

Implementation of Single Fraud Investigation Service

Your role - Local Authorities

Fraud & Error

- Single fraud investigations will be delivered by the DWP Fraud and Error Service and we are working with our partners in HMRC and local authorities to continue to implement the service safely.

- The Automatic Transfer to Local Authority Systems IT development will ensure improved data matching between local authorities and DWP.

- We are developing a Housing Benefit Fraud and Error Strategy, which will reduce Housing Benefit overpayments ahead of housing costs becoming part of Universal Credit.

Your role - Stakeholders

Fraud & Error

General Public

- Most people do not commit benefit fraud, but we have penalties and prosecutions in place for those who defraud the system. We are using best in class data and systems to root out fraud in the welfare system, and are launching a Single Fraud Investigation Service to target benefit cheats.

Businesses

- The Real Time Information used in Universal Credit will help pick up financial irregularities, as well as reducing staff error.

HMRC

- DWP is working in conjunction with HMRC on our joint Fraud and Error strategy.

Appeals Reform

The changes (1)

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

<u>Mandatory reconsideration of decisions</u>

- Following receipt of a decision, anyone wishing to dispute that decision 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.

The changes (2)

Direct lodgement of appeals with Her Majesty's Courts and Tribunals Service (HMCTS)

- Those wishing to dispute a decision following a mandatory reconsideration must send appeals direct to HMCTS.

Time limits for DWP to return appeal responses to 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.

Why?

- The main reasons for introducing mandatory reconsideration are to resolve disputes as early as possible, to reduce unnecessary demand on Her Majesty's Courts and Tribunals Service (HMCTS) by resolving more disputes internally; to provide a full explanation of the decision and consider revising it where appropriate; and to encourage people to identify and provide any additional evidence that may affect the decision.

- Direct lodgement is being introduced to align the appeals process for Social Security and child maintenance appeals with other major jurisdictions handled by HMCTS; to make sure that DWP is no longer involved in the administration of appeals; to make sure DWP can focus on its key role as a party to appeals; and to speed up and clarify the appeals process for claimants.

- The aim of time limits is to improve claimant service by giving people a timeframe within which they can expect DWP to process the response to an individual appeal, and to bring DWP into line with other departments, who are subject to time limits when submitting appeals responses to HMCTS.

When?

October 2013

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

April 2013

Appeals reforms introduced for Personal Independence Payment and Universal Credit.

October 2014

DWP begins to report against appeal response time limits.

Your role - Local Authorities

<u>Mandatory reconsideration of decisions prior to appeal</u>

- This change aims to reduce unnecessary demand on Her Majesty's Courts and Tribunals Service (HMCTS) by resolving more disputes before referral to the tribunal.
- The change also improves claimant service by encouraging people to submit additional evidence earlier in the process to help improve decision making.

<u>Direct lodgement of appeals with HMCTS</u>

- This change aligns the appeals process for the Social Security and child maintenance jurisdiction with the other major tribunal jurisdictions within HMCTS.
- The change also means that DWP is no longer involved in the administration of appeals, and can focus on its key role as a party to appeals.

<u>General information</u>

- People will know when the changes apply to them because their decision notification will provide details of how to dispute a decision.

Your role - Stakeholders

Mandatory reconsideration of decisions prior to appeal

- This change aims to reduce unnecessary demand on Her Majesty's Courts and Tribunals Service (HMCTS) by resolving more disputes before referral to the tribunal.
- The change also improves claimant service by encouraging people to submit additional evidence earlier in the process to help improve decision making.

Direct lodgement of appeals with HMCTS

- This change aligns the appeals process for the Social Security and child maintenance jurisdiction with the other major tribunal jurisdictions within HMCTS.
- The change also means that DWP is no longer involved in the administration of appeals, and can focus on its key role as a party to appeals.

General information

- People will know when the changes apply to them because their decision notification will provide details of how to dispute a decision.

Migrants’ Access to Benefits

Department for Work & Pensions

The changes (1)

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

<u>Measures introduced include</u>

- 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)

- 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) 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 1 December 2014, bringing about a more consistent approach to information gathering and DWP decision making for the Habitual Residence Test.

The changes (3)

- For new claims from 10 November 2014, the Jobseeker's Allowance (JSA) six month time limit will be reduced to three months for EEA nationals with a right to reside status as a 'jobseeker'. 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.
- From 9 February 2015, any existing claims to income-based JSA made before 1 January 2014, by an EEA national will be notified that they will be subject to a Genuine Prospect of work assessment in three months time.

When?

December 2013

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

January 2014

For claims made from 1 January:

- 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

March 2014

Minimum earnings threshold was introduced. This will help DWP Decision Makers decide whether an EEA national's previous or current 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.

April 2014

The removal of access to Housing Benefit for EEA jobseekers, even if the jobseeker is in receipt of income based JSA.

July 2014

The first Genuine Prospect of Work assessments will be conducted.

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.

November 2014

'Genuine Prospect of Work' assessment for EEA nationals with a right to reside status as a 'jobseeker' receiving JSA to take place after three months, instead of six months.

December 2014

October 2014 changes applied to Pension Credit new claims.

February 2015

Existing claims to income-based JSA made before 1 January 2014, by an EEA national will be notified that they will be subject to a Genuine Prospect of work assessment in three months time.

Your role - Local Authorities

<u>Removal of entitlement to Housing Benefit for EEA Jobseekers</u>

New EEA jobseekers will no longer be able to access Housing Benefit, which is administered by local authorities, even if they are in receipt of JSA (IB).

Your role - Stakeholders

Migrants' Access to Benefits

Habitual Residence Test: A revised Habitual Residence Test enables better information gathering and decision making, and identifies whether a claimant is eligible for certain benefits.

Three months residency: From 1 January 2014 EEA jobseekers will be unable to claim JSA(IB) until they have been living in the UK for a period of 3 months.

Genuine Prospect of Work assessment: The 'Genuine Prospect of Work' assessment is a new evidence based process which will be delivered in two stages during 2014.
- from 1 January: claimants will be told how the assessment will affect them, and when.
- from 1 July: claimants will be interviewed to check whether they have compelling evidence of a genuine prospect of work. If not, JSA(IB) will cease.

Introduction of a minimum earnings threshold: 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.

Removal of entitlement to Housing Benefit for EEA Jobseekers: From 1 April 2014 removal of automatic entitlement to Housing Benefit for EEA Jobseekers, even if they are in receipt of income based JSA.

Child Maintenance

The changes (1)

- We want to help parents to 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.
- We are investing £14 million in the *Help and Support for Separated Families* initiative, which directs parents to the support they need during and after a separation, including child maintenance.
- Its development is based on recommendations from experts from academia and the voluntary and community sector together with cross-government partners.
- It includes the *Sorting Out Separation* web app, which features on websites such as Mumsnet, DadInfo, Bounty and Money Saving Expert; and an Innovation Fund to identify and test a wide range of interventions to promote collaboration and reduce conflict in the best interests of children. Around £10 million has already been awarded to 17 voluntary and private sector organisations through two rounds of the Innovation Fund.
- We also launched a *Help and Support for Separated Families* mark in March 2013.

The changes (2)

2012 scheme

- The Child Maintenance Service administers the 2012 statutory child maintenance scheme to support parents who cannot make their own family-based child maintenance arrangement.
- The scheme opened as a pathfinder to a small number of cases in December 2012. Later in November 2013, the scheme was opened to all new applicants.
- From 30 June 2014, application fees and enforcement charges are introduced to the Child Maintenance Service, and the CSA case closure process began.
- From 11 August 2014, collection charges were introduced where parents use the Child Maintenance Service to collect and pass on payments. These collection charges reflect the fact that both parents have a role to play in setting up an effective, collaborative child maintenance arrangement.

The changes (3)

- Parents will have to have a conversation with Child Maintenance Options advisers to first discuss their choices and consider alternatives before proceeding with an application to the statutory service.
- On 30 June 2014, we introduced an application fee of £20 to encourage applicants to consider a family-based arrangement before entering the statutory service. Victims of domestic violence and parents aged 18 and under will be exempt from the application charge.
- From 11 August 2014, collection charges were introduced where the Child Maintenance Service collects and passes on payments between parents, these have been set at:
  - 4 per cent of the maintenance calculation for the receiving parent; and
  - 20 per cent of the maintenance calculation for the paying parent.
- Parents can avoid collection fees when the paying parent makes payments directly to the receiving parent; and all fees can be avoided by making a family-based arrangement.

The changes (4)

- Over time the 2012 scheme will be the only child support scheme in operation. All existing cases in the Child Support Agency (the 1993 and 2003 schemes) will be closed gradually. The case closure process will take around three years, and will affect around two million parents. Our focus is on maximising the flow of new money to children and minimising potential disruption of ongoing payments.
- The flat rate for paying parents has increased from £5 to £7.
- The introduction of online self-service portals for employers and parents. Parents are able to see a history and schedule of their payments, make payments and view the progress of their application. Employers can access and update details of their account, submit Deduction from Earnings Order schedules and view notifications that have been issued, at a time which is convenient to them.

Why? (1)

- Lone parents with dependent children represent 26 per cent of all UK families and there are almost 4 million children who live in families with only one parent.
- Paying towards child maintenance is increasingly the norm. In the quarter ending September 2014, 86.5 per cent of all CSA cases in which maintenance was due had either received maintenance via the collection service, or had a maintenance direct arrangement in place.
- Turning to the statutory service does not need to be the default option. Along with the cost to the taxpayer, doing so can put an unnecessary barrier between parents, increasing levels of conflict and reducing the incentive to work together.
- Our research shows that just over half of CSA parents who receive child maintenance surveyed said that with the right support, they could make their own family-based arrangement. We will support them to achieve that.
- For those parents who are genuinely unable to collaborate, the statutory service will still be there.

Why? (2)

- Our aim is to encourage parents to think twice before defaulting into the statutory scheme and provide them with the support they need to instead work together in the interests of their children.

- The 2012 statutory scheme is focused on those parents who really need it. The new IT system and 2012 scheme features and policies are designed to be more cost-effective and overcome many of the problems and key failings associated with the 1993 and 2003 CSA schemes and systems. This includes:
  - improving the way child maintenance is calculated by taking information directly from HM Revenue and Customs;
  - a faster and simpler way of working out maintenance;
  - a more transparent assessment process including clear guidelines on shared care and an annual review process;
  - a facility for clients to manage their cases online, making it more user-friendly;
  - an online service and helpline for employers; and,
  - a more effective enforcement regime.

When?

Child Maintenance

November 2012
Sorting Out Separation web app launched.

December 2012
2012 scheme opened on a pathfinder basis.

Spring 2013

Innovation Fund contractors start delivery.

Help and Support for Separated Families mark launched.

Innovation Fund opened for second round of bids.

Summer 2013
Telephony support launched.

Autumn 2013

Successful second round Innovation Fund bids announced.

End of 2013

2012 scheme opened to all new applicants.

Gateway conversation introduced.

June 2014
Application fees and enforcement charges introduced to Child Maintenance Service, and the CSA case closure process began.

August 2014
Collection charges introduced for Child Maintenance Service cases using the 'Collect and Pay' service.

Your role - DWP staff

You are able to respond to client queries about changes to our service, and can signpost clients to the appropriate place to discuss other options:

Client messages: Child Maintenance Service

- You don’t have to use this service, there are other options.
- You can avoid charges by using Direct Pay or by making a family-based arrangement.

Client messages: Child Support Agency

- There is no change to your case yet. If there are any changes to your case at any time we will let you know.

Your role - Stakeholders

Support is available to families going through a separation. Stakeholders can help by directing them to support on the wide range of issues faced.

Child Maintenance Options

- Child Maintenance Options is a free, impartial service to help separated parents make choices about child maintenance.
- It can help parents decide on the best child maintenance option for them, provide support to parents who are interested in setting up a family-based arrangement and guide parents who can't make a family-based arrangement to the statutory service.
- Child Maintenance Options can be contacted on **0800 988 0988** and has a website with useful tools and information at www.cmoptions.org

Sorting Out Separation web app

- The web app is embedded on websites parents already use, such as the Child Maintenance Options website. It provides support on issues including health, housing, work and benefits, money and finance, relationships and conflict.

Legacy Benefits

Department for Work & Pensions

The changes

- 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 ESA conditionality and sanctions regime changed in December 2012. Work Capability Assessment cancer descriptors and a range of other descriptors were amended in January 2013.
- From 27 October 2014 the number of days that a claimant has to wait before JSA and ESA are paid is increasing from 3 days to 7 days.

Why?

- Income-related benefits for working age people, both those who are out of work and those who are working, are being consolidated into a single simplified scheme, Universal Credit; this means that the existing income-related benefits (Housing Benefit, Tax Credits, Income Support, income-based Jobseeker's Allowance (JSA) , income-related Employment and Support Allowance (ESA)) are being phased out as Universal Credit is introduced.

- The contributory elements of JSA and ESA are being retained because they provide help to people who have paid sufficient National Insurance contributions but who can't qualify for Universal Credit because, for example, their income or savings are too high.

- The work-related requirements and sanctions regime are being brought in line with Universal Credit, for consistency, and to achieve the same policy outcomes (greater compliance, proportionate sanctions etc.) as for Universal Credit.

When?

Legacy Benefits

Autumn 2012
Stand alone ESA and JSA contributory benefits developed.

December 2012
ESA and JSA Regulations laid before Parliament.

April 2013
Universal Credit pathfinder went live.

October 2013 to Spring 2014
Progressive roll out of Universal Credit - began with Hammersmith, expanded to Rugby and Inverness in November, Bath and Harrogate in February, and Shotton in April 2014.

From June 2014
Expansion of Universal Credit to the rest of North West England

Universal Credit made available to new claims from couples in

From Autumn 2014
Expansion of UC live service to take claims from families

October 2014
Waiting days extended from 3-7 days for new ESA and JSA claims

February 2015
Roll out of UC across the country begins for new single claimants

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

Your role - Local Authorities

- For working age claimants, Housing Benefit (HB) will be replaced by a housing costs element of Universal Credit. Under HB some people have housing costs paid direct to the landlord. Under Universal Credit the money will go to the claimant and it will be their responsibility to pay their housing costs themselves, helping them to better understand household budgeting, and encouraging them to become more independent. Payments direct to landlords will still be possible, but only in exceptional circumstances.

- You will need to understand the difference between "old-style" Jobseeker’s Allowance (JSA) / Employment and Support Allowance (ESA) which included an income-related element and the new-style contributory-only benefits, which do not.

- If someone is claiming new-style JSA or ESA, you will normally need to refer them to Universal Credit (rather than a legacy benefit such as Housing Benefit).

Bereavement Benefit Reform

Department for Work & Pensions

The changes (1)

- 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.

- We are therefore 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 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 exempt from tax.
- 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.

When?

- Bereavement Support Payment will be implemented by April 2017

Freedoms and Flexibilities

The changes

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 greater freedom 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.
- 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.

Why?

Freedoms and Flexibilities

- Claimants, and labour market needs vary dramatically throughout the country.
- Freedoms and Flexibilities offers us scope to tailor our services to individual claimants and local labour markets by focusing on support, which addresses individual barriers to employment and the effective supply of labour to local employers.
- It is about doing the right things to get more claimants into work more quickly and meet the needs of local employers.

Your role - Stakeholders

Freedoms and Flexibilities

- Partnership working remains central to the delivery of the Department for Work and Pensions' business objectives and statutory duties.

- Effective partnership working at a local level will be instrumental in supporting this initiative.

- Although the partnership landscape remains complex, there is an expectation in government that the voluntary and community sector play a greater role in the delivery of public services and the private sector plays a key role in the stimulation of local economic growth.

- Local Strategic Partnerships and the new Local Enterprise Partnerships will continue to be the main partnership platform in England.

Single View of Change: Reform Timeline

Department for Work & Pensions

Autumn 2012 - Spring 2013

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

Localised Support for Council Tax introduced.

Appeals reforms introduced for Personal Independence Payment and Universal Credit.

Universal Credit Pathfinder went live.

Controlled start for New Claims to Personal Independence Payment for those living in the North West and parts of the North East of England.

Short Term Benefit Advances introduced.

Tougher Loss of Benefit regulations commenced.

April 2013

Benefit cap came into force for new and existing claimants in Bromley, Croydon, Enfield and Haringey local authorities.

Most employers now required to send PAYE returns in real time.

Publication of *Social Justice: transforming lives – one year on.*

Removal of the spare room subsidy came into force.

Local Housing Allowance rates uprated annually by reference to the Consumer Price Index or 30th percentile of local rents.

Community Care Loans and Crisis Grants abolished and new Local Welfare Provision introduced.

May - September 2013

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

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

November 2013

UC roll out – expansion to Rugby and Inverness

Child Maintenance Service opened to all new applicants

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.

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

February 2014

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

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

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

Reform Timeline

May - September 2014

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 case closure process began.

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

Reform Timeline

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 complete.

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

November 2014
Changes applied to Pension Credit new claims.
'Genuine Prospect of Work' assessment for EEA nationals with a right to reside status receiving JSA to take place after three months, instead of six months.

Late 2014
Launch of Health and Work Service

October 2014
Minimum earnings threshold extended to Income Support, ESA new claims and rapid reclaims for JSA and Income Support (applied to Pension Credit new claims from December 2014)
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
Expansion to further areas of reassessment of some DLA claimants to PIP

December 2014
First independent review of PIP reassessment published

2015 - 2017

January and February 2015

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

February 2015

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

Existing claims to income-based JSA made before 1 January 2014 by an EEA national, will be notified that they will be subject to a Genuine Prospect of Work assessment in 3 months.

March 2015

Accessible Britain Challenge awards

April 2015

Introduction of private pension decumulation reforms

June 2015

Automatic enrolment begins for small employers.

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.

April 2016

The new State Pension will be implemented from April 2016

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.

2016 – 2017

Majority of the remaining legacy caseload moving to Universal Credit

By April 2017

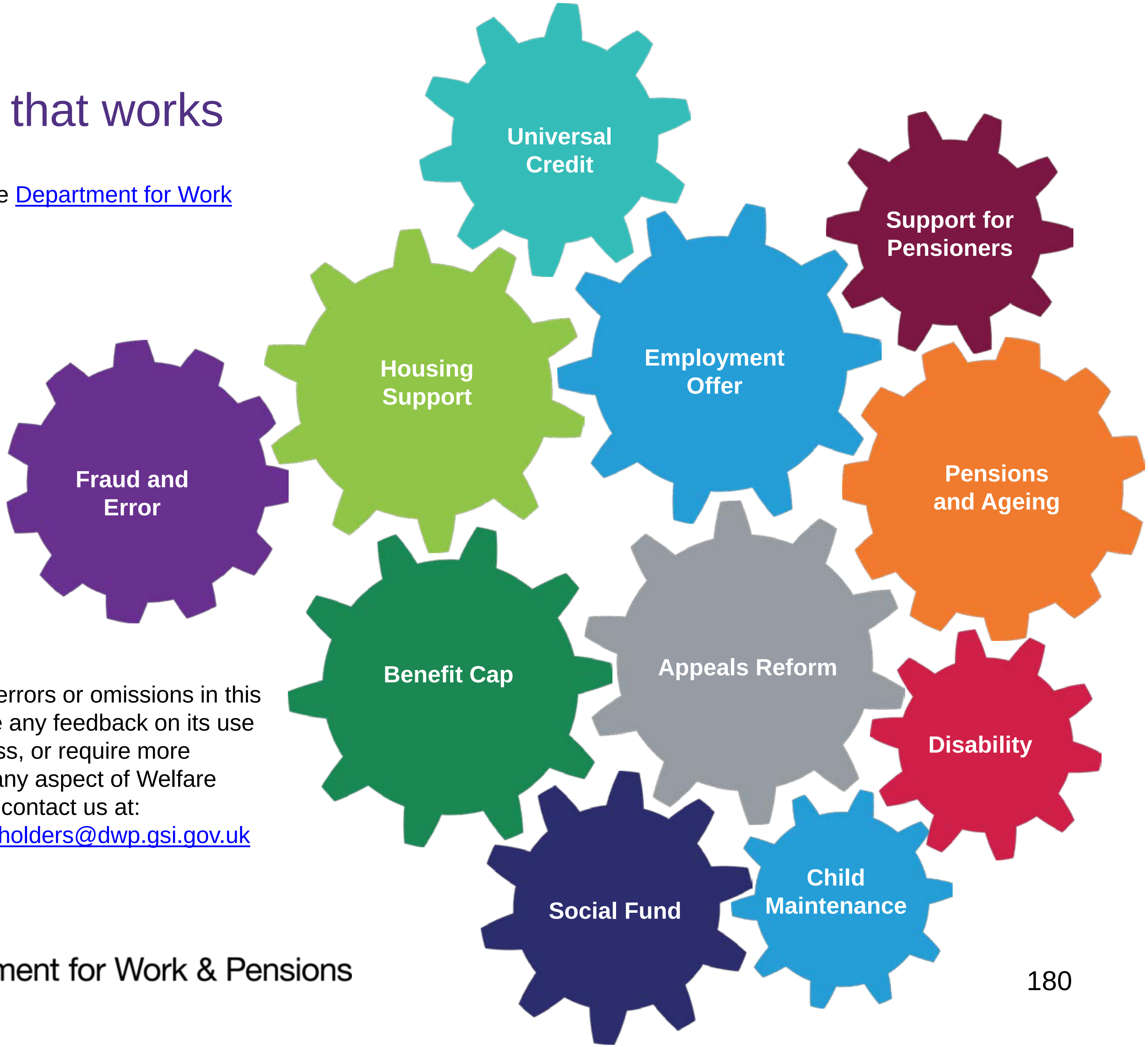
Bereavement Support Payment implemented

May 2017

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

Welfare that works

Published by the [Department for Work and Pensions](#).



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@dwp.gsi.gov.uk

Department for Work & Pensions