



# Touchbase

## March 2014

## Welcome to March's Touchbase



**Sharrion Llewellyn, Editor**

In this edition we report on how DWP will be ringing the changes by offering new 0345 numbers to make calls to our helplines cheaper for the public. Vulnerable and low income groups will be the first to have a choice of 0345 or 0845 numbers.

Customer service is also the focus of our Universal Credit update as we report on another partnership the team has forged to ensure that the public fully understand what Universal Credit will mean for them. This time the team has worked with the Money Advice Service to produce five videos to support people who might, for example, be setting up banks accounts for the first time.

We also report on Tax Credits and what claimants need to do to make sure they receive payments they are entitled to, while avoiding delays and overpayments, which they would have to payback.

Other reports include a new earnings threshold for migrants claiming income-based benefits, and a maternity allowance for women who support their spouses or civil partners by working unpaid in their businesses.

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# DWP rings the changes

In March 2014 DWP will start to introduce alternative 0345 phone numbers for our major call lines – including those for the State Pension and Carer’s Allowance – to help cut the costs of telephone calls to us from the public.



The plan is for all of DWP’s helplines to be converted before the end of 2014.

However, DWP will continue to offer 0845 numbers as well because these might still

be cheaper for some callers. We will also introduce an 0345 number for the Welsh language service.

The current freephone 0800 numbers will also remain for all major claim lines, including the State Pension and key benefits.

Employment Minister Esther McVey said:

“Our new 0345 numbers will save money for many of our callers, particularly for those using a mobile phone. We will keep the existing 0845 numbers, as our research shows that this can still be the cheaper option, particularly for landline users.

“It is only fair that people have the opportunity to choose which number is best for them.

“The 0345 and 0845 numbers will be offered for enquiry calls which typically take less time. The cost of calling either an 0845 or 0345 number depends on the terms of an individual’s mobile or landline phone contract.”

A recent Public Accounts Committee report on charges for public calls to Government helplines recommended that 03 numbers should be available for these lines within six to 12 months. It also said that that priority should be given to those lines that mainly serve vulnerable and low-income groups.

The new numbers will bring DWP into line with Cabinet Office guidance that departments should offer 03 or alternative numbers so callers get the best deal they can.



**More information is available from the Public Accounts Committee report which was published on 11 November 2013 and from the Cabinet Office’s HMG guidance for customer service lines.**

# Universal Credit gets animated with the Money Advice Service

Five animated videos to help claimants understand different aspects of Universal Credit are now available on the Money Advice Service website.

Money Advice Service developed the videos in close collaboration with DWP and with the help of stakeholders from the banking and housing sectors.

Four of the videos cover the steps involved in choosing, opening, setting up and managing a bank account. It will be particularly useful for those people who currently do not have or use a bank account.

The fifth video, called ‘Worried about paying your rent’, provides easy to follow information and guidance for those who need advice about managing and paying their rent.

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DWP’s Universal Credit team are also working with the Money Advice Service on a new dedicated landlord’s section for their website, which will be available later this spring and will provide information on changes to Housing Benefit.

It will also contain information on Universal Credit and how it affects landlords and tenants, the support available to them as well as practical help on opening a bank account and managing rent payments.

The Money Advice Service is an independent service set up by the Government to help people manage their money better. It provides a wealth of other Universal Credit information online, where partners and claimants can access extra support material on how to budget.

The videos follow last month’s report in Touchbase on how DWP has partnered with Looking Local to provide Universal Credit information for Sky and Virgin customers via the red button on their TV. The Money Advice Service videos can be viewed below.



- [How to choose a bank account](#)
- [How to open a bank account](#)
- [How to make payments using your bank account](#)
- [How to use your bank account to make budgeting easier](#)
- [Worried about paying your rent?](#)

# Tax credits claimants encouraged to avoid renewals bottleneck

Her Majesty's Revenue and Customs (HMRC) and DWP are encouraging people to renew their tax credits claims as soon as possible to beat the rush in the lead up to the 31 July 2014 deadline.

HMRC's contact centres are very busy in the week leading up to the deadline so if claimants call to renew their award during the final week, it might take much longer to get through to an adviser.

Tax credits claimants, who have continuously received Income Support, Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance or Pension Credit for the whole of the 2013/14 tax year, will have their award renewed automatically.

These claimants will still receive an Annual Review form – TC603R – which they will need to review but they should only contact HMRC if their circumstances have changed.

There are guidance notes with the form that will tell claimants what changes they need to report. They will not receive a new Tax Credits Award Notice so they must keep their TC603R form as proof of their on-going entitlement.

If claimants receive a Tax Credits Renewal Declaration form –TC603D or TC603D-2 – they must provide a declaration to HMRC before 31 July 2014 or their payments will be stopped and they will have to pay money back.

This year, for the first time, HMRC will be helping some claimants with their tax credits renewal. HMRC will give them the income details that have been provided by their employer or occupational pension provider.

Claimants should check the section called 'Income for 2013/14 that your employer(s) or occupational pension provider(s) have told us about' and let HMRC know if any information is missing or needs to be changed. They should also let HMRC know if their circumstances have changed such as childcare costs and living arrangements.

From April 2014, claimants, who have to complete a renewal form but whose circumstances have not changed, will be able to renew their claim online.

Tax credits can also be renewed by post and via the Helpline on 0345 300 3900.



**More information about tax credits is available on the [HMRC website](#).**

## Mandatory reconsideration for tax credits appeals

The way HMRC deals with appeals against tax credits, Child Benefit and Guardian's Allowance decisions is changing.

From April 2014, if claimants do not agree with a decision, they will need to ask HMRC to reconsider it before they can appeal to Her Majesty's Courts and Tribunal Service (HMCTS). This will be known as a 'mandatory reconsideration'.

If a claimant still disagrees with a decision, following reconsideration by HMRC, and wishes to appeal, they will need to send their appeal directly to HMCTS.

The change should see appeals resolved earlier in the process.

Claimants in Northern Ireland will continue to make appeals to HMRC until autumn this year.

## Tax credits changes for claimants with children aged 16, 18 or 19

From April 2014, tax credits claimants, who have children aged 16, 18 or 19, will need to tell HMRC whether the young person is starting or continuing in full time non advanced education or approved training.

If they do not do this then the young person's element of their tax credits payments would stop on 31 August 2014.

At the moment, payments continue to be made for teenagers until claimants tell HMRC that the young person is no longer in full time non advanced education or approved training. If payments are made for young people who are no longer in full time education or training then this could lead to overpayments of tax credits which claimants would have to pay back.



**More information about tax credits is available on the [HMRC website](#).**

# New earnings threshold for EEA migrants

From 1 March 2014 migrants from the European Economic Area (EEA) will be subject to a minimum earnings threshold when they claim income-based benefits.

The minimum earnings threshold has been set at £149 per week for the current year and at £153 for the 2014/15 tax year. This is the same level at which workers start to pay National Insurance.

Migrant workers must prove that they have been earning this amount in the UK for three consecutive months prior to claiming. They will need to provide appropriate evidence such as wage slips, contracts of employment or, if they have been self-employed, evidence of their earnings from their business records.

If they satisfy the terms of the minimum earnings threshold their work will be automatically treated as 'genuine and effective'. If the terms are not met then further consideration will be given to decide whether their work should still be considered 'genuine and effective'.

The minimum earnings threshold will apply initially to income-based Jobseeker's Allowance (JSA), Housing Benefit, Child Benefit and Child Tax Credit. It may be extended to other benefits later.

The minimum earnings threshold is the latest in a series of measures that the

Government has introduced in the past few months for migrants who apply for income-based benefits.

The other measures include:

- Strengthening the Habitual Residence Test in order to improve evidence gathering and decision making;
- Requiring migrant jobseekers to be resident in the UK for at least three months before they become eligible to claim income-based JSA. This also applies to UK nationals who return from living or working abroad;
- Putting a six-month limit on the length of time EEA jobseekers can receive income-based JSA. Claimants will not continue to receive income-based JSA unless they can provide compelling evidence that they have a genuine prospect of work.



More information on the new measures for EEA migrants is available at [GOV.UK](http://GOV.UK)

# Maternity Allowance for women who help out in their husband's or civil partner's business

New regulations are being brought in to allow women who help out unpaid in their husband's or civil partner's business to receive Maternity Allowance.

Those who qualify for the benefit under the new regulations would receive £27 per week for 14 weeks. It will not apply to women who are paid employees of, or partners in, a business that is owned by their husband or civil partner.

The proposals are due to be debated in both Houses of Parliament and if they are approved they would come into force on 1 April 2014 and would apply to women expecting their babies on or after 27 July 2014.



The change is being introduced so that the UK is fully compliant with a European Directive which lays down the principle of equal treatment for both men and women who are self-employed.

The directive requires Member States to provide a maternity allowance, for a minimum period of 14 weeks, to self-employed women as well as to women who help out, unpaid, in their husband's or civil partner's business.

The UK already provides a maternity allowance for self-employed women so the new regulations will now make the UK fully compliant with the directive.

“The change is being introduced so that the UK is fully compliant with a European Directive which lays down the principle of equal treatment for both men and women who are self-employed.”



A draft copy of the regulations can be viewed at [Legislation.GOV.UK](http://Legislation.GOV.UK)

# Business Mentors wanted for budding entrepreneurs

DWP is looking for business men and women to share their knowledge and expertise with budding entrepreneurs as part of the New Enterprise Allowance (NEA) scheme.



In the [video](#) Dean explains how the advice and support he has received has given him more confidence and helped him to develop his skateboard culture business in the first months of trading.

Levi said:  
“I’ve found being a business mentor to Dean very rewarding and it’s given me the opportunity to share my own experiences of starting up in business with him. I didn’t realise how much I would gain from being a mentor too. “

The NEA provides money and support to help people, who get certain benefits and have a sound business idea, to start their own business. To date the NEA has helped enterprising jobseekers to set up 32,520 new businesses.

This is an opportunity for people to use their experience to mentor NEA participants, with business ideas that are relevant to their own field of work, so that they can realise their dreams of starting their own business.

One business man who is already part of the NEA mentoring scheme is Levi Roots the former Dragons’ Den contestant and owner of the Reggae Reggae food company.

Now Levi has made a short [video](#) with Dean Clarke, who he is mentoring, to encourage other entrepreneurs to get involved in the scheme.



**If you are interested in becoming a New Enterprise Allowance mentor you can find out more about what it involves at [GOV.UK](#).**

## Other news in brief...

### Universal Credit and Rented Housing

A new Q+A document has also been published to bring together all the information on how Universal Credit will affect landlords and tenants.

It has been produced primarily for private and social sector landlords to give them up-to-date information about Universal Credit so they can better understand how they can help their tenants prepare for the move to direct payments.

It also explains how Universal Credit will ensure that all the appropriate protections and safeguards, for both landlords and tenants, are in place.

The Universal Credit rented housing frequently asked questions is available at [GOV.UK](#).

### Tax credits transition to Universal Credit

Universal Credit is being gradually rolled out across the UK and will eventually replace tax credits.

Most people getting tax credits will not be affected at this stage and tax credits customers do not need to do anything as yet.

On current plans, all new claims to existing benefits will be closed during 2016. New tax credits claims will continue to be taken until then.

In the meantime, it’s important to keep your tax credits claim up-to-date, so make sure you report any changes in your circumstances.

More information about Tax Credits is available on the [HMRC website](#).

### Extra support for terminally ill people who claim PIP

In [February’s Touchbase](#) we reported that DWP was improving the Personal Independence Payment (PIP) claims process for people who are terminally ill.

Our dedicated telephone service for these claimants is now live. Claimants still need to call the usual PIP claims number – 0800 917 2222 – but if they select option one, to make a new claim, and then option three, to claim under the Special Rules for people who are terminally ill, their call will be routed to a dedicated team so they can complete the claim process.

In addition, DWP is continuing to work with organisations including Macmillan Cancer Support to develop further improvements to this claim process and we will keep you informed of progress with this work.

Further information about PIP and the Special Rules for terminally ill people can be found in the [PIP Toolkit](#).

# Other news in brief...

## Warm Home Discount Scheme

Vulnerable pensioners who have not responded to a letter about the Warm Home Discount Scheme must do so by the 14 March 2014 or they will miss out on a £135 rebate on their electricity bill for winter 2013/14.

They must call the Helpline on 0845 603 9439 to confirm their eligibility. The line is open from Monday to Friday between 8.30am and 4.30pm

To be eligible for a Warm Home Discount, people must have been getting the Pension Credit Guarantee Credit on 20 July 2013 and they or their partner must be named on the electricity account with one of the participating energy suppliers.

More information about the Warm Home Discount Scheme is available at [GOV.UK](http://GOV.UK)

## Dates for Winter Fuel Payment announced

The deadline for Winter Fuel Payment applications for winter 2013/2014 is 31 March 2014.

For winter 2013/14, the payment will apply to those people who were born on or before 5 January 1952 who normally live in the UK throughout the week of 16 to 22 September 2013.

Those who are eligible could get between £100 and £300 tax-free to help pay their heating bills. Most people should have received their money by Christmas but if someone qualifies and does not get paid automatically, they will need to make a claim.

The Winter Fuel Payment does not affect other benefits.

For more information and to check eligibility please visit [GOV.UK](http://GOV.UK) [Winter Fuel Payment](#).

