



Touchbase

September 2013

Welcome to September's Touchbase



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As we approach the end of a busy Parliamentary recess, there are a number of important issues we need to tell you about.

Our first report is on the roll out of the benefit cap to the final 40 local authority areas which began on 12 August and will be completed at the end of September.

Other stories include a report on the National Enterprise Allowance, which is proving very successful in helping people to start their own businesses; an update on Personal Independence Payment (PIP) and more details on the Social Justice conference on 30 October and about the forthcoming changes to the benefit dispute and appeals process.

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Final stage of benefit cap roll out

The benefit cap is being rolled out in the final 40 council areas and will be completed nationally by the end of September

The benefit cap is now in place in 340 local authority areas across the country. Benefit claims are being capped at £500 a week for couples and those with children and at £350 a week for single people.

In total around 40,000 households will have their benefits capped.

Secretary of State for Work and Pensions, Iain Duncan Smith said:

“The benefit cap is a major step forward in creating a welfare state that actively helps people get back on their own two feet, instead of providing pay-outs that are out of reach of the average hard-working family.”

The benefit cap will apply to combined income from the main out-of-work benefits, Jobseeker’s Allowance, Income Support, and Employment and Support Allowance, and other benefits such as Housing Benefit, Child Benefit and Child Tax Credit and Carer’s Allowance.

One-off benefits, for example non-cash benefits such as free school meals, will not be included in the assessment of benefit income.

Also, in recognition of their additional needs, all households where someone receives one of the following benefits will be exempt from the cap:

- Disability Living Allowance
- Personal Independence Payment
- Industrial Injuries Benefit
- War Disablement Pension and the equivalent payments from the Armed Forces Compensation Payments Scheme
- Attendance Allowance
- the support component of Employment and Support Allowance

Since April last year, Jobcentre Plus teams have been working with people who may be affected by the benefit cap. Around 14,000 such claimants have been helped into work since April 2012 and 34,500 people have accepted an offer of employment support.



[Read more in our Report on Jobcentre Plus help for claimants.](#)

[More information on the national roll-out of the benefit cap is available on GOV.UK.](#)



Take up of National Enterprise Allowance increases

DWP is helping more and more people to start their own business

New figures published on 21 August show that there has been an increase in the number of people taking advantage of the Government’s New Enterprise Allowance (NEA). Jobseekers have set up more than 26,000 new businesses thanks to the NEA scheme.

The aim is to help eligible claimants to start up their own business by offering expert mentoring support and start-up funds.

Levi Roots, Founder of Reggae Reggae Foods Limited, launched his business with the backing of Peter Jones from Dragons’ Den. In turn he is now sharing his own experience by mentoring one lucky entrepreneur, Dean Clarke from Brixton, whose business was started with the help of the NEA.

Levi said: “I am a big fan of the NEA. It’s a great scheme, which helps people with ideas make the most of their talent.”

Dean has always wanted to start his own business but with no business experience he was not sure where to start. That was until he spoke to his Jobcentre Plus adviser who told him about the NEA.

In February this year, Dean launched a business selling bespoke skateboards and clothing ‘r3v3r3nt’ – a brand for which he has global ambitions!

NEA is backed by our innovative ‘You’re not alone’ campaign which encourages more people to consider becoming self-employed as a route back into work.

The NEA gives jobseekers access to expert business mentoring and a financial package worth up to £2,274, to help them get started.

From April 2011 to May 2013 there have been 54,410 starts with a business mentor and 26,160 starts to the weekly allowance under the NEA scheme.

Disputes and appeals changes

From October 2013 customers who dispute a benefit or child maintenance decision will be telephoned with an explanation of how and why a decision has been reached in their case

It is part of the changes that DWP is making to the disputes and appeals process from 28 October 2013. The aim is to give claimants and DWP a chance to resolve any issues about awards without the need to go to appeal.

From then, customers who are unhappy with a benefit decision will have to ask the Department for a mandatory reconsideration before they will be able to make an appeal to Her Majesty's Court and Tribunal Service.

During the mandatory reconsideration period decision makers will telephone customers to make sure that they understand the reasons for a decision and to give them a chance to talk through the disputed decision.

During the call, the customer will receive a full explanation of the decision, and will be asked if they have any further evidence that might help their case.

If, after reconsidering the case, the decision maker is able to make a partial change and a new decision, any money due to the customer as a result will be paid as soon as possible.

Customers receiving a decision following a mandatory reconsideration will still have the right of appeal.

The process is slightly different for Personal Independence Payment (PIP) and Employment and Support Allowance (ESA) cases:

- PIP claimants - if a case manager decides to disallow or reduce their benefit, they will receive a call one week after the decision date.
- ESA claimants - they will receive a call at the initial decision-making stage when the decision maker is considering disallowing ESA on the basis that they are capable of working. This will enable the decision maker to discuss the potential decision with the claimant and provide an opportunity for the claimant to bring forward any new evidence which might change the decision outcome.



More information is available on the [DWP website](#).

New address for PIP DS1500 forms

We have recently changed the address where health professionals have to send DS1500 reports for Personal Independence Payment (PIP)



DS1500 forms are used by health professionals to support claims made under the Special Rules for the terminally ill provision; if forms are sent to the

wrong address it could delay the decision on a claim for PIP.

DS1500 pads have been changed to reflect the new address for PIP claims.

We have written to health professionals to make them aware that all DS1500 reports for PIP should now be sent to:

Freepost RTEU-HXBG-YTST
Personal Independence Payment 10
Mail Handling Site A
Wolverhampton
WV98 1AE

It would be really helpful if the DS1500 can be returned on the day of request, if at all possible.

In addition, we will shortly be publishing some more details regarding the information we require when a PIP claim is made under the Special Rules provision. The more information that is provided at the initial claim stage, the quicker we will be able to process claims.



Look out for the updated Special Rules fact sheet in the [PIP Toolkit](#).

Further information on how to obtain a DS1500 pad is available on the [DWP website](#).

Further PIP information is also available on [GOV.UK](#).

“The more information that is provided at the initial claim stage, the quicker we will be able to process claims.”

Social Justice conference and award ceremony

DWP and GovKnow will be holding a second Social Justice conference on 30 October 2013 at Central Hall, Westminster

The event supports the [Social Justice Strategy](#) that was launched by DWP in March 2012.

The key principles of the strategy involve working across government and the private and voluntary sectors to tackle the root causes of family breakdown, unemployment and homelessness, drug and alcohol addiction and to promote social investment.

This year's conference will be opened by the Secretary of State for Work and Pensions, Iain Duncan Smith. After last year's success, we have developed an awards ceremony to recognise and support three companies and/or individuals who are helping people to get their lives back on track in their local communities.

The conference and awards are funded and provided by our main sponsors - Government Knowledge, The Big Lottery Fund, Media Trust, Princes Trust and Turning Point.

The three awards are:

- The Big Lottery Fund Community Award for turning lives around
- SME Award for delivering Social Justice
- The Social Justice Champion Award



Please take a look at the [Conference Agenda](#).

For more information on the criteria and how to nominate yourself or someone else for a Social Justice award, please visit: [Social Justice Awards](#).

“The key principles of the strategy involve working across government and the private and voluntary sectors to tackle the root causes of family breakdown, unemployment and homelessness, drug and alcohol addiction and to promote social investment.”

Changes to fraud Loss of Benefit penalties

DWP and HMRC have made changes to legislation which impose tougher penalties on people who commit benefit fraud.

These changes ensure that we are tougher on those who commit benefit fraud and demonstrate further that persistent benefit fraud will not be tolerated.

The previous fraud penalties system

For benefit fraud wholly committed on or after 1 April 2002, the rules allowed for the removal or reduction of benefit for 13 weeks if a claimant, their partner or a family member had been convicted of a second benefit fraud offence.

For benefit fraud committed wholly on or after 1 April 2010, the rules were changed to allow a removal or reduction of benefit for four weeks when a claimant, their partner or a family member had been convicted, or had accepted a caution or an Administrative Penalty, for a first (or unrelated) benefit fraud offence.

What is changing?

For benefit fraud committed wholly on or after 1 April 2013, the changes are as follows:

- The duration of the Loss of Benefit penalty will increase from four to 13 weeks following a first conviction for a benefit fraud offence.
- The duration of the Loss of Benefit penalty will be 26 weeks where two benefit fraud offences have

been committed within a set time period with the second resulting in a conviction.

- The duration of the Loss of Benefit penalty will be three years where three benefit fraud offences have been committed within a set time period with the third resulting in a conviction.
- An immediate three year Loss of Benefit penalty will be imposed where the benefit fraud offence involves serious organised and identity fraud.

The duration of the Loss of Benefit penalty will continue to be four weeks following a DWP Administrative Penalty or a caution for a benefit fraud offence.

The linking period for these new penalties to apply has been set at 5 years.

Loss of Benefit penalties in respect of benefit fraud offences committed wholly or partly before 1 April 2013 will be imposed in accordance with the relevant rules introduced respectively in 2002 and 2010 as detailed above.



More information is available on the [DWP website](#).

Other news in brief...

Welfare reform communications toolkit now on GOV.UK

The welfare reform communications toolkit has now moved from the DWP website to GOV.UK.

The toolkit helps to explain how DWP is changing the welfare system, what is changing, why DWP is making the changes and when the changes will happen. The toolkit is updated regularly.

If you have any questions about the welfare reform communications toolkit, please contact the [Strategic Engagement and Partnerships team](#).

Consultation on the PIP assessment 'moving around' activity

DWP has received more than 1,000 responses from both individuals and organisations to the consultation on the Personal Independence Payment (PIP) 'moving around' activity.

We would like to thank those who participated in the consultation which ended on 5 August. Contributions are now being considered.

Claims for PIP will continue to be processed under the current benefit rules until the outcomes of the consultation are decided so people should claim PIP as normal.

You can view the [PIP toolkit](#) for updated information for support organisations. The [tailored communications and guidance](#) page contains ready-made editorial for you to use, including materials for carers organisations, the health professions and local authorities. Please send any questions about the toolkit to pip.feedback@dwp.gsi.gov.uk.

Early learning for two-year-olds

Around 130,000 of the least advantaged two-year-olds become eligible this month for 15 hours of free early learning each week.

All three and four-year-olds currently qualify for 15 hours per week of free early learning. Last year the Government said that this would be extended to two-year-olds in households that are eligible for free school meals and children who are looked after by the state.

It will also create thousands of new jobs in the childcare sector to support the growth in places.

To find out more about early learning for two-year-olds, please visit the [Department for Education website](#).

UK Older People's Day

UK Older People's Day will be celebrated throughout the country on 1 October.

Older People's Day, which uses the Full of Life banner, is in its seventh year and is an opportunity to celebrate the contribution that older people make to our society, such as volunteering, as well as to the economy.

The aim is for everyone in government and in other supporting groups, from all generations, to join together as part of Full of Life, not only to have a great day, but also to help tackle negative attitudes and any outdated stereotyping of older people.

An interactive website www.olderpeoplesday.co.uk has been set up to allow you to play an active role in the activities that are featured, provide information about what you are planning to do and to give and receive feedback on all the activities.