# Touchbase

# March 2013

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Department for Work & Pensions

## Welcome to March's Touchbase



Hello, I'm Sinead Gordon, I work in the strategic communications team here at DWP and I've taken over from Graham as the editor of Touchbase. I'll make sure I follow in Grahams expert footsteps and keep providing you with high profile, time sensitive, need to know information every month.

It's hard to believe it but we are already in March, spring is on the way and more importantly, as I'm sure you all know, we are about to embark on a huge period of change. April will see us setting in motion the most significant changes to the benefits system in 60 years; 2013 will be the biggest year of reforms this department has ever seen.

In this edition we'll take you through the fundamental changes taking place to Council Tax Benefit and Disability Living Allowance. On 1 April the Department for Communities and Local Government will abolished Council Tax Benefit and replace it with new, localised Council Tax Reduction schemes. Catherine, one of our housing experts, takes us through these reforms. We will be also be introducing Personal Independence Payment on the 8 April, this will replace Disability Living Allowance for people aged 16 to 64. Take a look at the article on this for more details on what the controlled start will look like.

This month's issue also covers the launch of the first Social Justice Recovery Festival on 12 March. The festival is aimed at employers; it challenges many widely held assumptions and highlights the benefits of hiring someone in recovery. Read our article to find out how you can attend this exciting event.

I hope you find Touchbase useful and informative. You and your colleagues can register for an e-alert, which you will receive when Touchbase is published, on the <u>DWP Advisers</u> <u>and intermediaries website</u>. Visit our <u>Touchbase subscriptions</u> page to register.

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# Countdown to Personal Independence Payment (PIP)

# On 8 April 2013 Disability Living Allowance (DLA) will be replaced by Personal Independence Payment (PIP) for people aged 16 to 64.

PIP will be introduced gradually with a controlled start in limited geographical areas from 8 April 2013. We've made some small changes to the controlled start postcodes in the Chester area, so CH1 and CH4 codes will not now be included in the controlled start. New claims will be introduced in those areas as part of national rollout on 10 June.

The final list of codes included in the controlled start is:

BL, CA, CH (except CH1, CH4, CH5, CH6, CH7 and CH8), CW, DH, DL (except DL6, DL7, DL8, DL9, DL10 and DL11), FY, L, LA (except LA2 7, LA2 8, LA6 2 and LA6 3), M, NE, PR, SR, TS (except TS9), WA and WN.

While most existing DLA claimants won't be affected by PIP until 2015, some will be affected earlier. The new online checker uses the claimant's date of birth to work out when they might be affected. This can be a useful tool for those offering support, and is available at <u>GOV.UK</u>.

#### **Toolkit for Advisers**

The PIP Toolkit for support organisations and advisers is available at the <u>DWP</u> <u>website</u>. As well as sample forms, leaflets and factsheets, the toolkit also contains suggested articles and editorial that you can easily adapt for your own websites, newsletters or guidance bulletins. If you would like to talk to us about any of the material online, have suggestions for new or improved content, or if we can help with tailoring material for you, then <u>please</u> <u>email us</u>. More information and tools will be added to this toolkit over the next few months to provide more detailed information and advice for people who support claimants.

#### Preparation for go-live

If you are in the controlled start area, then there are some simple steps you can take to make sure your organisation is ready for PIP go-live, and that you are giving the best advice to the people you work with.

A new leaflet about PIP (code DWP041 or DWP041w in Welsh) is <u>now available</u> <u>to order</u>. You can start using these in the controlled start area from the beginning of April.

If you hold a stock of DLA claim packs or forms, then please don't issue them once PIP has been introduced in your area. New claims to PIP are started over the phone, and if a new PIP claimant sends in a DLA form then it could delay their claim.

DLA1 Adult or DLA1 A Adult forms shouldn't be used in the controlled start area from 8 April 2013. Instead, you should issue a copy of the new PIP leaflet and ask them to phone DWP to make their claim.

DLA claim forms for children and Attendance Allowance forms for over 65s aren't affected.



"While most existing DLA claimants won't be affected by PIP until 2015, some will be affected earlier. The new online checker uses the claimant's date of birth to work out when they might be affected.

#### Making a new claim to PIP

To start a new claim for PIP the claimant should telephone DWP on: 0800 917 2222. This number will be available from 8 April 2013 and the lines will be open between 8am and 6pm, Monday to Friday.

The caller will be asked for some basic information, including their:

- National Insurance Number
- Bank or building society details
- Daytime contact number
- GP or health professional's details
- Details of time spent abroad if they have been abroad for more than 4 weeks at a time over the last 3 years.

It will speed up the call if the caller has all this information to hand when they call. At this point the caller will not have to answer detailed questions about their health condition or disability.

Once the claim has been registered, a 'How your disability affects you' form will be posted to them so they can explain how their condition affects their daily life. Details of the PIP claims process, along with copies of the claim form, can be found on the <u>DWP website.</u>

For further information, visit the <u>DWP website – PIP Toolkit</u>.



# Council Tax Benefit abolition

As part of the Welfare Reform Act, Council Tax Benefit (CTB) will be abolished and replaced by new, localised, Council Tax Reduction (CTR) schemes from 1 April 2013.

CTR will not be a social security benefit and will be administered by local authorities across Great Britain. CTR will be localised and specific to the geographical area in which a Pensions customer or Working Age claimant resides.

This change will affect customers making a new application for Pension Credit and claimants making a new claim for ESA/JSA and IS.

DWP will no longer deal with applications for help with council tax liability. Claimants already receiving CTB on 31 March 2013 will be moved on to the new CTR automatically.

Claimants will need to make an application to their local authority who will decide whether they are entitled to a reduction in their Council Tax bill. Claimants must also inform their local authority about any changes in their circumstances that might affect this reduction. If a claimant wishes to find out more about Council Tax reduction schemes, including information on what changes to notify, or make an application, they should contact their local authority.

Whilst CTB will cease to exist Housing Benefit (HB) will continue until it will be subsumed into Universal Credit and Pension Credit. DWP will continue to take new claims to HB until then.

Claimant materials, notifications, leaflets and GOV.UK will be amended to either remove or amend all references to CTB.

For further information please email <u>Catherine.j.jones@dwp.gsi.gov.uk</u>

## Social Justice Recovery Festival 12–13 March 2013

The first Recovery Festival will take place at the QEII Centre, Westminster, London on 12–13 March 2013.



Aimed at large and small employers, and businesses, it will highlight the benefits of hiring people in recovery and showcasing the transferable skills they have acquired through their treatment, rehabilitation and recovery journey.

By attending the Recovery Festival, employers can challenge the assumptions they may have about addiction and employing someone with a history of substance misuse; experience firsthand the talent and ambition of those in recovery and understand how they can help unlock individuals' talent and ambition for mutual benefit. The Right Honourable Iain Duncan Smith, Secretary of State for the Department for Work and Pensions will deliver a key note speech which will outline the work Government is doing to support those in recovery into employment.

There will be a wide range of speakers, workshops, panel discussions and exhibitions from across the recovery and business sector.

For more information on key speakers and how to attend, please register online at: <u>www.recoveryfestival.org</u>. <u>uk</u>, and follow these twitter feeds for the most up to date information: <u>https://twitter.com/RecoveryFest</u> <u>https://twitter.com/DWPSocialJustic</u>

"By attending the Recovery Festival, employers can challenge the assumptions they may have about addiction and employing someone with a history of substance misuse..."

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## Fulfilling Potential -Department publishes evidence base on disability

On 13 February the Minister for Disabled People, Esther McVey, launched 'Fulfilling Potential: Building a deeper understanding of disability in the UK today'.

This document summarises a range of research and statistical information on disability. It provides an evidence base to explore what it is like to be disabled in the UK today. The document looks at the number of disabled people in the UK, as well as looking at the way disability develops over the life course and at the fluctuating nature of disability. It also looks at the trends in outcomes and the barriers to participation in different areas of disabled people's lives.

#### The aims of this publication are:

- to provide an analysis of the current evidence on disability in the UK to inform the development of the next stage of work on Fulfilling Potential – the development of actions, outcomes and indicators;
- to inform public understanding and prompt debate about disability and the issues faced by disabled people; and
- to raise awareness, drive a change in attitudes and support an increase in commitment to improving the lives of disabled people in the UK today.

### Some of the key statistics included are:

- More than three million disabled people are in work and only 9% of working age disabled people have never worked.
- Only **3%** of disabled people were born with their impairment. **Half** of the Over-65s and **two thirds** of the Over-85s are disabled.
- Up to **one in three** people with a health condition or impairment say it is not present a year later and around **one in twelve** acquire an impairment during the course of year.
- If disabled people's employment rate matched that of the rest of the population, an extra **two million** disabled people would be working.

<u>'Fulfilling Potential: Building a deeper</u> <u>understanding of disability in the UK</u> <u>today'</u> is published on the Office for Disability Issues website.

# Extending labour market interventions to in-work claimants

# The Department has just launched a call for ideas on the DWP consultation website.

This invites your ideas to help shape our thinking on how we support people working a few hours a week to realise their full potential in the labour market.

Universal Credit will ensure that work always pays and that as people work more they are able to retain more of their increased earnings. We aim to help many more people into work as a result and also support people in low paid work to increase their earnings.

For the first time it will be possible for us to work with individuals to help keep them in work and - where appropriate support and encourage them to increase their earnings and move towards selfsufficiency.

#### Key areas to consider are:

What ideas could DWP trial to best support people in work, in receipt of Universal Credit, to:

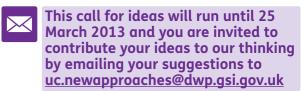
- 1. Increase their earnings, where they could reasonably be expected to earn more?
- 2. Develop their skills and qualifications?

3. Take positive steps to achieve financial independence, both in the Tax Credit system and when Universal Credit is introduced?

## How could DWP trial ideas that would support employers:

4. To promote training, development and progression opportunities for low paid employees who are claiming Universal Credit or Tax Credits, and have the potential to work more?

To develop the Department's response to these challenges, we will test a range of approaches to build an understanding of what works. These tests will take a variety of forms, from small scale "pathfinders" that can be put in place relatively quickly, to more formal control trials.





## Benefit Cap claimant information update

On 19 December it was announced that the benefit cap will be implemented from 15 April 2013 in four London local authority areas: Bromley, Croydon, Enfield and Haringey.

We plan to implement the benefit cap in all other local authorities during the summer and as such all households identified as being appropriate to be capped will, in line with existing plans, have been capped by the end of September 2013.

Between 6 and 8 February 2013, the Department sent out approximately 20,000 letters to all those potentially affected from 15 April and to newly identified cases, affected from the summer, which we have not written to previously.

Letters to claimants who currently receive benefits over the cap levels will include information about the amount of Housing Benefit they may lose each week, in bandwidths of £50.

A separate letter will go to claimants whose benefits are currently under the cap levels but are expected to exceed them following uprating in April 2013.

All letters will provide information about the employment support available, the benefit cap helpline and the further options available to claimants to help mitigate the cap's impact.

Further information about the <u>benefit</u> <u>cap</u> can be found on the DWP website.

"Letters to claimants who currently receive benefits over the cap levels will include information about the amount of Housing Benefit they may lose each week, in bandwidths of £50."

## Simple Payment – From 31 March 2013, cheque payments will stop

The new Simple Payment service was launched nationally in October 2012.



It is specifically for those people who are unable to operate an account of any kind (such as a bank, building society, credit union or Post Office card account). Money can be collected by using a Simple Payment card at a PayPoint outlet which displays the Simple Payment logo. The new service has the same flexibility as cheques, enabling regular or casual carers to collect payments on someone's behalf, so it is suitable for professional carers such as Home Helps, Health Workers etc., as well as trusted family and friends. The service is completely secure and carers are only able to collect the value of the benefit due, just as they do when cashing a cheque up to a daily withdrawal limit of £600.

Since October, DWP has been contacting people paid by cheque in order to move them to Simple Payment and is on target to move all cheque payments to electronic payment methods by 31 March 2013.

More information about <u>Simple</u> <u>Payment</u> can be found on the GOV.UK website.

"The new service has the same flexibility as cheques, enabling regular or casual carers to collect payments on someone's behalf, so it is suitable for professional carers such as Home Helps, Health Workers etc., as well as trusted family and friends."



## Appeals process changes

#### Changes to appeals are coming soon

In the November 2012 edition of Touchbase the Department advised you about reforms to the appeals process. These are: mandatory reconsideration of disputed decisions, direct lodgement of appeals with Her Majesty's Courts and Tribunals Service (HMCTS), and time limits for DWP to return appeals responses to HMCTS.

## When these changes will be introduced

Mandatory reconsideration and direct lodgement will be introduced for Personal Independence Payment (PIP) on 8 April 2013 and Universal Credit on 29 April 2013. These new benefits will be the first to introduce the changes and will help inform their introduction on 28 October 2013 for all other DWP-administered benefits and child maintenance cases.

## More about mandatory reconsideration

Mandatory reconsideration will allow DWP to look again at decisions and talk them through with customers. It will also ensure that people are invited to provide additional evidence at the earliest opportunity and that, where appropriate, DWP changes a decision at the earliest possible point.

#### Time limits

DWP and the Tribunal Procedures Committee have agreed that DWP will have 42 days to return an appeal response in child maintenance cases, and 28 days in all other cases. DWP is planning to introduce these time limits in April 2013 for UC and PIP and in October 2014 for all other DWP-administered benefits and child maintenance cases.

#### Other activities

In July 2012, DWP and the Judiciary agreed to implement the First-Tier Tribunal Feedback scheme. This provides feedback from appeals tribunals through the use of a drop-down menu from which the judge selects the primary reason for allowing an appeal, which is included on the decision notice issued by the tribunal. An evaluation of the decision notices has been conducted, and the interim results were published in November 2012.

Following the pilot, the information will continue to be gathered and used to identify trends and possible opportunities for future improvements.

More information is available on the <u>DWP corporate website</u>.

# Specified Adult Childcare credits

Increasingly, grandparents and other adult family members play a big role in looking after grandchildren or the children of other family members so the children's parents can continue to work.

In the past this may have meant that some were sacrificing their own incomes in retirement. To ensure grandparents' and certain adults' caring responsibilities count towards entitlement to the basic State Pension, the Government introduced a new National Insurance credit in April 2011.

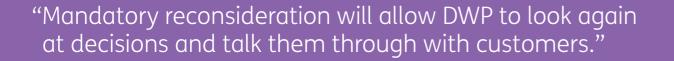
The weekly Class 3 National Insurance credit can be awarded to grandparents and other family members aged 16 or over, but under State Pension age, who care for a child (or children) aged under 12 usually because the child's parents are working. The parent must be entitled to, but not need, their parents credit (linked to their claim for child benefit) and be willing to pass on the credit to the family member looking after their child.

"There is no upper time limit for applying but it is in the customer's interest to make a timely application." The tax year 6 April 2011 to 5 April 2012 is the first year for which the National Insurance credits are available. Applications can only be made after the end of the tax year in which they were caring. HMRC have been accepting applications for the 2011/12 tax year since October 2012. There is no upper time limit for applying but it is in the customer's interest to make a timely application.

The National Insurance credits will be added to the individual's National Insurance contribution record and will count towards basic State Pension and bereavement benefits for spouses and civil partners in the same way as a paid voluntary Class 3 National Insurance contribution.

This measure gives important help for those who are providing this valuable role.

More information about <u>who can get</u> <u>the credits and an application form</u> is on GOV.UK.





## New Employment and Support Allowance (Amendment) Regulations 2012

On 28 January 2013, new Employment and Support Allowance (Amendment) Regulations 2012 came into force, changing the way people who are awaiting, receiving or recovering from cancer treatment are assessed for Employment and Support Allowance (ESA).

DWP Minister for Employment, Mark Hoban, said:

"Following extensive work with Professor Harrington, Macmillan Cancer Support, the Royal College of Radiologists and others we are now further improving the way we assess cancer patients.

The resulting changes will mean that hundreds more people who are awaiting, receiving, or recovering from any form of chemotherapy or radiotherapy for cancer will be placed in the Support Group for ESA where they will get the support they need while unable to work.

We strongly support the principle of the Work Capability Assessment (WCA) and are committed to continuously improving the assessment process to ensure it is as fair and as accurate as possible."

- The changes will improve the way DWP assesses cancer patients by expanding the categories of cancer treatments under which individuals may be treated as having Limited Capability for Work Related Activity.
- It is the debilitating effects of such treatment that will determine entitlement.

- The presumption is that an individual undergoing the above treatments for cancer will be placed in the Support Group subject to confirmatory evidence.
- This will be supported by a new 'light touch' evidence gathering process, which means people with cancer are directed to a dedicated part of the self assessment questionnaire form (ESA50/ESA50A), removing the need for completion the whole questionnaire in many cases.
- This simpler process means the majority of benefit decisions for people being treated for cancer are assessed on the supporting medical evidence from a relevant healthcare professional, without the need for a face-to-face assessment.
- As part of the programme of continuous improvement of the WCA, other Regulatory changes have also been made to clarify areas of potential misunderstanding. These amendments to regulations around the WCA do not alter existing policy but will make the process easier to understand for claimants and assessors.

Changes to the Work Capability Assessment and its assessment of the effects of cancer treatment: <u>Written</u> <u>Ministerial Statement 28 Jan 2013 -</u> <u>The Minister of State, DWP M Hoban</u>. New ESA (Amendment) Regulations 2012: <u>ESA (Amendment) Regulations</u> 2012.

Amended Employment and Support Allowance Forms: <u>GOV.UK - Amended</u> <u>ESA50/50A and ESA 214</u>.

# Other news in brief...

#### Personal Independence Payment and eligibility for a Blue Badge

On 9 July 2012 the Department for Transport (DfT) launched a consultation on Personal Independence Payment (PIP) and eligibility for a Blue Badge.

The consultation ran until 2 October 2012 and covered arrangements in England only, as the Blue Badge scheme is a devolved matter.

The Department for Transport has now published the results of their consultation. Ministers have decided that, when DLA is replaced by PIP, those people who score 8 points or more in the 'Moving Around' activity of PIP will be automatically eligible for a Blue Badge.

## Full details of the consultation outcome are available online.

For more information about PIP please see the DWP <u>website.</u>