

Press release 01/2014

23 May 2014

Government proposal to extend benefit waiting days: consultation announced

SSAC has today launched a public consultation on the Government's intention to extend the number of days a claimant must wait before they are entitled to receive certain benefits from three to seven.

It is estimated that those making a claim for Jobseeker's Allowance (JSA) or Employment Support Allowance (ESA) will lose, on average, £40 or £50 respectively.

Announcing the consultation, Paul Gray (the Committee's Chair) commented:

"This proposal has history. An identical change was put forward by the Government in 1998 but subsequently dropped. Then, as now, an understandable desire to ensure limited public resources are used most effectively was the main driver for the proposal. However, as benefits are now being paid fortnightly in arrears, it is important that we understand the full impact of this change – particularly on the most vulnerable. We are keen to hear from anyone who is able to provide information about the consequences of this change".

The Department for Work and Pensions estimates that, as a result of this proposal, the average loss of benefit at the start of each award will be £40 for JSA claimants and £50 for ESA claimants. The Government intends that the savings generated will fund other initiatives designed to help people find work.

The change is intended to commence in October.

The evidence received by SSAC will help inform its report which will be submitted to the Rt Hon Iain Duncan Smith MP, the Secretary of State for Work and Pensions, in the summer. Responses should be submitted to the Committee's Secretary by 13 June:

The Committee Secretary
Social Security Advisory Committee
5th Floor
Caxton House
Tothill Street
London
SW1H 9NA

Alternatively they can be emailed to ssac@dwp.gsi.gov.uk

Notes to editors

- 1. The <u>Regulations</u>, <u>Explanatory Memorandum</u> and <u>Equality Analysis</u> relating to this proposal can be accessed via the <u>Committee's website</u>.
- 2. SSAC is an independent advisory body of the Department for Work and Pensions. The Committee's role is to give advice on social security issues; scrutinise and report on social security regulations (including tax credits) and to consider and advise on any matters referred to it by the Secretary of State for Work and Pensions or the Northern Ireland Department for Social Development.
- 3. The Committee's Chair is Paul Gray. Its membership comprises: Les Allamby; John Andrews; Simon Bartley; Adele Baumgardt; John Ditch; Keith Faulkner; Colin Godbold; Chris Goulden; Matthew Oakley; Nicola Smith and Diana Whitworth. Its expert Adviser on Scotland is Jim McCormick.
- 4. Most social security regulations come before SSAC for scrutiny, the only significant exceptions being regulations which go to other advisory bodies or set benefit rates. When SSAC has considered regulations which it has asked to be formally referred, its response is made in the form of a report to the Secretary of State for Work and Pensions. That report must be presented to Parliament when the regulations are laid with a statement from the Secretary of State showing what has been done (or is intended to be done) about the SSAC's recommendations (section 174(1) and (2) of the Social Security Administration Act 1992).
- 5. Consultation documents can be obtained from <u>SSAC's website</u> or from the Committee Secretary.
- 6. Further enquiries should be directed to Denise Whitehead, Committee Secretary, on 020 7829 3354.