



Touchbase

October 2014

Welcome to October's Touchbase



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This month we report on the significant increase in the number of new businesses that have been set up with the help of the Government's New Enterprise Allowance.

One of these has been featured in Vogue magazine and another has supplied carousel horses for a Beyoncé concert!

Private sector businesses like these are driving the economic recovery – by creating over 800,000 jobs in the past year and leading the largest annual fall in unemployment for 25 years.

Other articles this month include improvements to the Personal Independence Payment claims process, which are already helping to speed up assessments and decision making for claimants, and International Credit Union Day® which will be celebrated on 16 October.

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Thousands helped to fulfill their business dreams

More than 53,000 new businesses have been set up thanks to a Government scheme which helps people on benefits become their own boss – an average of 460 every week over the last year.



The New Enterprise Allowance (NEA) is available to people over 18 who claim certain benefits, such as Jobseekers Allowance, and supports people to realise their dreams of setting up their own business.

Those who have been helped to turn their entrepreneurial ideas into a reality include jobseekers of all ages, lone parents and people on sickness benefits.

The scheme provides jobseekers with start-up help and advice from a business mentor, and financial support payable through a weekly allowance. Participants can also access a loan through the Department of Business Innovation and Skills' Start Up Loan scheme.

NEA is responsible for a wide range of new businesses across Britain, including:

- A jewelry boutique whose wares have been featured in Vogue magazine;
- A greetings card company catering for religious festivals, weddings and birthdays;
- A carousel refurbishment business whose horses have appeared in Beyoncé's concerts and Oasis clothing stores.

Minister for Employment, Esther McVey said:

"Small businesses are the backbone of the UK economy and are delivering a significant share of new vacancies – and it's thanks to their hard work, creativity and entrepreneurial spirit that we are recovering from one of the biggest recessions in living memory.

"Tens of thousands of new and innovative businesses are now up and running thanks to the scheme, some of which are now employing people and are helping to make the goods and provide the services which are powering the UK's economic recovery."

The NEA is available to:

- People over 18 who are claiming Jobseeker's Allowance;
- Lone parents on Income Support;
- People in the Work-Related Activity group of the Employment and Support Allowance.

The latest figures show that the scheme helps people of all ages, with 12,360 businesses started by people aged 50, over 3,920 by young people, 10,040 by disabled people and 3,510 by those from Black and Minority Ethnic backgrounds.



You can find out more about New Enterprise Allowance at GOV.UK and the latest statistics at [NEA figures](#).

Private sector drives jobs growth

The number of people claiming Jobseeker's Allowance has fallen below 1 million and unemployment has seen the largest annual fall in 25 years – according to the Office for National Statistics (ONS).



Unemployment fell by 468,000 over the year bringing the unemployment rate to a new six-year low of 6.2 per cent. The employment rate, at 73 per cent, is also back up to the pre-recession level with 30.61 million people in work.

Youth unemployment is also continuing in the right direction with the largest annual fall since records began in 1984 – falling by 213,000 on the year. There are now fewer young people claiming the main unemployment benefit, Jobseekers' Allowance, than just before the recession. Youth unemployment has dropped by 133,200 in the past year and for 33 months in a row.

The figures also show that private sector jobs are continuing to grow and have increased by almost 800,000 in the last year alone. There are now over 2.16 million more people in private sector jobs than there were in 2010.

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

"Creating jobs is central to building a stronger, more resilient and stable economy. With millions more people in private sector employment under this Government, it is clear that our long-term economic plan is helping Britain to recover following one of the deepest recessions in living memory.

"All of our reforms are focused on helping people off benefits and into work – giving people the peace of mind and security that comes with a steady income. We are helping people to break free from welfare dependency, look after themselves and their families, and play their part in getting our country back to work."

Schemes like the Government's Work Programme have contributed to the largest drop in long-term unemployment since 1998 – falling by 175,000 on the year.



A regional breakdown for your area is available at [your local economy](#) and more details on the jobs figures can be found on the [ONS site](#).

New measures to speed up PIP claims process

DWP has improved all parts of the Personal Independence Payment (PIP) claims process to make sure that claimants who are entitled to the benefit are paid as quickly as possible.

The two PIP assessment providers, Atos Healthcare and Capita Health and Wellbeing, have taken on more health professionals and administrative staff and have opened new assessment centres so they can increase the number of assessments they do.

DWP has also introduced new guidance for assessment providers to support them to increase the proportion of cases that are assessed from paper evidence, reduce the length of assessments and ensure that DWP's decision makers are given quality advice.

In addition, the assessment report form has been redesigned so it is easier to complete and review and is better focused on the decision making process. The PIP IT systems have also been improved.

These changes are already having an effect. Both providers have more than doubled the number of assessment reports they are returning to DWP each month and this is expected to continue to increase over coming months.

DWP's decision-makers have also more than doubled their output since April 2014. Extra resources have been put into this area to clear the growing number of assessment reports that providers are returning.

By the end of the year it is anticipated that no one will be waiting longer than 16 weeks for a PIP assessment.

The first experimental official statistics on PIP were published by DWP in June 2014 and a subsequent release was published in September 2014. Both documents are available at [Personal Independence Payment statistics - GOV.UK](http://gov.uk/personal-independence-payment-statistics).

By the end of the year it is anticipated that no-one will be waiting longer than 16 weeks for a PIP assessment.



More information is available at [GOV.UK](http://gov.uk).

Tax credits changes for Universal Credit claimants

From October 2014 Her Majesty's Revenue and Customs (HMRC) will close people's Working Tax Credit or Child Tax Credit accounts and stop payments as soon as they are moved on to Universal Credit.

In the past when people moved on to Universal Credit their tax credits account would have remained open until the end of the tax year.

Universal Credit, which is being introduced in stages, will eventually replace tax credits. Universal Credit and tax credits cannot be claimed together.

From October, HMRC will contact claimants who are affected to let them know that their tax credits will stop and to explain what they need to do.

Claimants who are already getting tax credits do not need to do anything but they should report any changes in their circumstances that could affect their payments as soon as possible.

People will move on to Universal Credit at different times, depending on where they live, their circumstances and which benefits they are claiming.

Tax credits overpayments

From October, Her Majesty's Revenue and Customs (HMRC) is also changing the way it recovers tax credits overpayments.

Claimants who have been overpaid tax credits may have their tax credits award reduced to repay outstanding debts from previous claims.

Depending on a person's circumstances, outstanding overpayments may be from one or more previous awards.

HMRC will write to the claimant to tell them how much they owe and how it will affect payments. The amount recovered will not be more than 25 per cent of their current tax credit payments. Claimants who already have arrangements to repay their debts will not be affected by this change.

Universal Credit and tax credits cannot be claimed together.



For more information about tax credits overpayments visit www.gov.uk/tax-credits-overpayments

Universal Credit to go national

Universal Credit will be rolled out to all Jobcentres and local authorities across the country from early 2015.



The national expansion will only apply to new claims from single jobseekers. This marks a significant acceleration of one of the Government's biggest reforms.

Universal Credit brings together six benefits and tax credits into one. The new service is already available in over 50 Jobcentres in England, Wales and Scotland, and will be available in nearly 100 Jobcentres by Christmas.

The Universal Credit Test and Learn approach is designed to drive continuous improvement to the service and to ensure that it is built on experience and evidence. Further Universal Credit Test and Learn initiatives have also been announced to support and households.

These include:

- Trialling key aspects of Universal Support – delivered locally in 11 partnership areas across Great Britain to inform future delivery. Partners will share resources, including data and skills, so they can support more people into work;
- Universal Credit Work Coaches assessing people's financial capability at their work search interviews and, where appropriate, ensuring that they receive advice and support;
- Extending the in-work progression pilot to help people increase their earnings once they have found work;
- Universal Credit Work Coaches encouraging access local support services as they reinforce the connection between work readiness and good money management to help households break down barriers and move into work faster so they can earn more;
- Testing of an enhanced digital service for Universal Credit which will begin later this year.



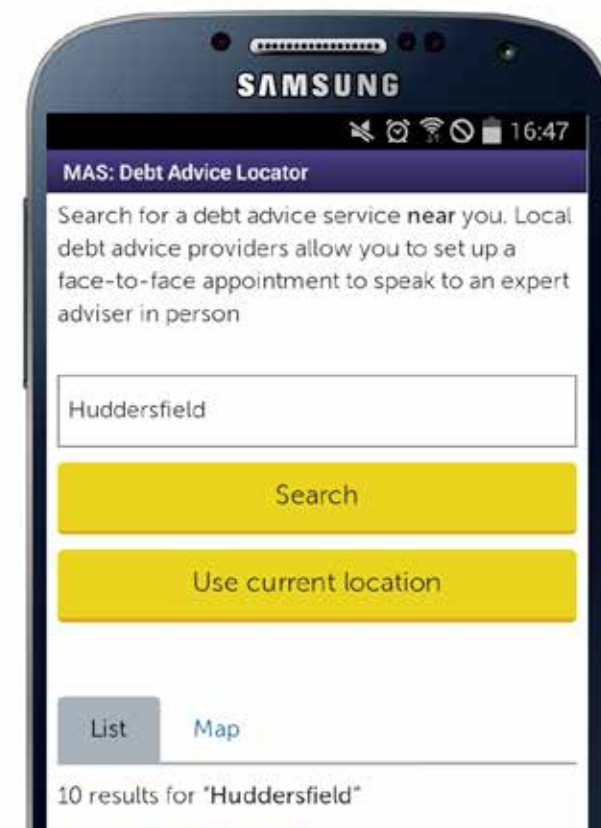
For more information about Universal Credit please see the [Partner Toolkit](#).

Smart Advice

A partnership between Looking Local, The Money Advice Service (MAS) and DWP is helping to provide up-to-date advice to people about Universal Credit through a range of consumer devices.

Looking Local, which is owned by Kirklees Council, works with over 120 local authorities and housing associations to deliver Universal Credit information, Universal Jobmatch and key budgeting and money management advice from MAS via mobile, smartphone apps, Sky, Virgin, games consoles and tablets.

The latest addition to this comprehensive combination of services is the MAS 'Debt Advice Locator' tool. This is now available on the national 'My Council' smartphone app and via more than 65 local authority and housing association apps that are managed by Looking Local.



The Debt Advice Locator tool gives both customers and frontline staff easy access to a list of local debt advice services where customers can have a face-to-face discussion about their financial issues and get details for the national debt helplines.

The partnership between MAS, DWP and Looking Local has been going for nearly a year and the benefits are already being seen.

These include:

- Frontline staff having the tools to help customers to get money management advice before their debts become a significant issue;
- Mobile workers being able to get the latest Universal Credit information for tenants and claimants while they are on home visits;
- Providing local and national information and advice services in one place;
- Promoting digital inclusion by allowing customers to get information via a wide range of consumer devices.

You can download the free national 'My Council' app, from either [iTunes](#) or [Google Play](#), to help your staff, claimants and others to access the latest Universal Credit information and jobs and financial advice as Universal Credit continues to rollout.



More information is available at www.lookinglocal.gov.uk/site at [@lookinglocal](https://twitter.com/lookinglocal) or on 0845 434 8540.

Benefits of credit unions to be celebrated

International Credit Union Day® will be celebrated in Britain and across the world on 16 October with the theme of “Local Service, Global Good”.

The theme underlines the positive impact that credit unions have on their local communities and around the world. It also acknowledges the hard work of volunteers and staff who are dedicated to helping their credit unions to thrive and to encourage more people to join.

The Government believes that credit unions are one option for people to save and gain access to affordable credit and DWP is working with credit unions to help them to modernise and to reach more customers.

Minister for Welfare Reform Lord Freud said:

“Credit unions provide an essential service for communities and we want to help them modernise and grow so that more people can benefit from the support they offer.

“They can make a big difference to the many people who are looking for a practical and affordable alternative to high cost lenders, a trusted place where they can save and a place where their money is safe. International Credit Union Day is a chance to acknowledge the positive impact credit unions have in their local communities.”



Applicants must meet the “Common Bond” criteria set by the individual credit unions they want to join. This could include living or working in a certain area, working for a particular employer or belonging to a specific organisation or trade union.

International Credit Union Day® has been celebrated on the third Thursday of October since 1948.



Information on how to find your local credit union is available at [find your credit union](#).

Other news in brief...

Social Justice a growing business

Throughout October DWP will be exploring why Social Justice is relevant to businesses and recruiters.

With up to 22 per cent of vacancies remaining unfilled because employers cannot find people with the right skills, companies are beginning to look beyond traditional recruitment channels.

Social enterprises actively invest in local communities and are more likely to recruit people with poor work histories than the standard small and medium sized enterprises that make up the vast majority of UK employers.

Among others, The National Literary Trust, Timewise, the UK's first social supermarket – which sells discount food with limited use by dates – will discuss their views on why Social Justice is relevant to business and whether a new dynamic has entered the UK economy that provides new opportunities.

Please visit the [Social Justice: Transforming Lives](#) website for the latest Social Justice news including the launch, later this month, of a new competition to find the UK's most flexible employer.

Bookings open for Social Justice Conference

The third annual Social Justice Conference takes place on Tuesday 18 November.

This year's event will look at social investment, the changing economy and the role employers and business can play in changing lives.

It will also include the Social Justice Awards for the second year running.

For more information and to sign up for the conference visit [GovKnow](#) website.

Independent Age

Independent Age is a national charity that provides services for older people throughout the UK.

It gives tailored expert advice on issues such as social care and welfare benefits and supports older people through advice, befriending and campaigning (ABC).

Membership of the charity is free and members can benefit from being visited by one of the 1500 carefully vetted volunteers who befriend and visit older people regularly.

If you know an older person who would benefit from befriending please call 0800 319 6789. Lines are open Monday to Friday, 10am to 4pm or you can email advice@independentage.org.

Independent Age also runs TalkTime phone clubs where people come together over the telephone to discuss books, films and so on, to help prevent them from becoming lonely and isolated. For more information about this call 020 7605 4232 or email rosalind.devine@independentage.org

More information on these services and on the guides the charity produces is available at [Independent Age](#).