



UNDERSTAND

WELFARE REFORM

Welfare Influencing and Lobbying: Learning Opportunities and Work

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WELFARE REFORM

WELFARE BENEFITS PROPOSALS

@ Incapacity Benefit

- @ Migration trials started in Oct 2010 – Burnley and Aberdeen**
- @ Linking rules for IB/IS will be abolished in January 2011**
- @ All existing IS/IB/SDA claims will be reviewed through the WCA from 28 Feb 2011, and by March 2014 – 2.6m**
- @ 3.14million DLA recipients / 1.25million also in receipt of IB**

@ Employment and Support Allowance

- @ Introduced October 2008 with the Work Capability Assessment**
- @ Currently following WCA – Support Group 6%, WRAG 14%, fit for work 39%, claim closed 37%, in progress 4%**
- @ Appeals – 60% won by DWP, 50,000 appeals outstanding, there will be more appeals under ESA**
- @ Average cost of an appeal = £279.00 ~ 2009/10 – 106,904 ESA appeals – cost = £29,862,216**
- @ 56% increase in IB/ESA appeals from the second quarter in 2010/11**
- @ Limiting contribution based ESA to 12 months**
- @ ATOS Healthcare – medical assessors**
- @ WCA issues – GP medical evidence, quality of assessments, changes from Feb 2011**
- @ Chris Grayling – ¾ fit for work**

@ Jobseekers Allowance

- @ Treatment Allowance abolished – to be replaced by a cross Government initiative**
- @ Lone Parents – JSA youngest child aged 7 – aim for 5**
- @ Current back to work programmes will continue until June 2011 (Flexible New Deal, not other programmes)**
- @ Mandatory work activity**

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- ② The White Paper 11 November 2010 – Welfare Reform Bill February 2011
 - ② LHA rates will be subject to caps ranging from £250 per week for a 1 bedroom property to £400 per week for a 4 bedroom property – new claims April 2011, existing claims January 2012
 - ② Single room rate extended to 35 year olds
 - ② HB on a property that is deemed bigger than their needs – already applies to the PRS
 - ② HB award reduced to 90% after 12 months for claimants of JSA (*removed*)
 - ② Excess payments of up to £15 to claimants of Local Housing Allowance (LHA) where contractual rent is lower than the rate of LHA will be scrapped
 - ② Discretionary housing payment (DHP) budget to rise (*From 2012, Estimated additional expenditure: £10 million in 2011 and £40 million thereafter*)
 - ② Social housing rents will increase for new tenants to 80% of the market rental value – 150,000 new homes over 4 years/ limiting social tenancies depending on financial capacity (2 year review)

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- ⊗ **The Social Fund – Crisis Loans and Community Care Grants to be administered by social services**
- ⊗ **Cap of £500 per week on benefits - £26,000 per year – couples and families**
- ⊗ **Cap of £350 per week on benefits - £18,200 per year – single people**
- ⊗ **Conditionality – refusal to take up job offer – 1st up to 3 months, 2nd up to 6 months, 3rd up to 3 years (housing costs will not be sanctioned)**
- ⊗ **DLA to Personal Independence Payment (PIP) – 2013/14**
- ⊗ **Higher earnings disregards for people with children and people with disabilities – not single people = Couple £3000 + £2700 per child, lone parent £5000 and £2700 per child, disabled people £7000**
- ⊗ **Universal Credit will not replace non-means tested benefits – JSA, ESA, DLA, CHB, SSP, SMP, MA and IIDB**

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- Ⓢ The Enterprise Allowance
- Ⓢ Monthly payments of the Universal credit?
- Ⓢ Universal Credit will be implemented by Oct 2013, with migration of old cases taking place between April 2014 to October 2017
- Ⓢ All administered by DWP
- Ⓢ Passported benefits
- Ⓢ Legal Aid (debt, employment, benefits – not homelessness)
- Ⓢ Official error overpayments