



This very short update is to give you an indication of the key changes coming up in a year of major changes to benefits and the claiming process and to advise on staffing changes in our unit in the coming months.

If you regularly give advice on benefits and tax credits, you will probably already be looking at other ways of keeping up to date with benefit details and changes. Child Poverty Action Group and Disability Alliance both publish annual guides for advisers – www.cpag.org.uk and www.disabilityalliance.org. Other useful websites exist where you will find sections specifically for advisers. For example, there is www.dwp.gov.uk where you can find forms, leaflets, press releases, housing benefit circulars, decision maker's guidance etc. Other key websites are www.direct.gov.uk (a general route to information about benefits and the location for information about disability and carers' benefits and much more and now owned by the DWP); www.hmrc.gov.uk (for tax credits, child benefit, tax and National Insurance); www.jobcentreplus.gov.uk (for working age benefits information); www.thepensionservice.gov.uk (leaflets, forms, information, pension forecasts etc for people planning for retirement and pensioners including a pension credit calculation facility). Other helpful sites are www.rightsnet.org.uk which is an extremely useful backup site for advisers with news, jobs, discussion forum and more: there is a subscription charge for the benefit news part of this service. www.benefitsandwork.co.uk are another subscription service and their focus is on disability and incapacity benefits with downloads of guides to claiming and appealing these benefits. Other useful websites are www.nationaldebtline.co.uk/england_wales for advice and factsheets

and the CAB public website www.adviceguide.org.uk/index/life/benefits.htm

Hounslow Welfare Benefits and Money Advice Unit provides a consultancy phone line on 020 8583 5015 for any local authority staff and external organisations working with Hounslow residents. The new access hours for this service which we trialled last year have been retained. The service combines the public helpline (020 8583 5016) and staff consultancy but with the last hour of the session only accessible for staff consultancy – other than the Thursday session. Service hours are Monday and Tuesday 2-5, Wednesday and Friday 10-1 and Thursday 4-7. Staff are welcome to contact us during the session or can leave a message on 8583 5015 at any time for us to call you back during the next telephone advice session. Staff can call us with enquiries regarding entitlement to benefits and tax credits, guidance on legislation or money advice on housing and other debts. We offer a minicom session Thursday 1-2pm for people with speech and hearing impairments. We have an email route to enquiries on wbmau@hounslow.gov.uk too where you can also request a copy of our guide to our services.

Our unit produces a number of leaflets with more added each year. In addition to our Monday advice desk at Brentford County Court we are involved in other specialist advice sessions including the six weekly advice sessions for Hounslow Homes tenants, two at West Middlesex Hospital (sexual health clinic and cancer patients/families at the Mulberry Centre).

For information about our service, debt and benefits: www.hounslow.gov.uk/benefits

Uprating

Social security benefit rates increase from week commencing 7 April by 3.9% generally for contributory and non-contributory benefits and 2.3% for income based benefits (as these have the housing costs element taken out of the retail price index figure). Tax credits, income tax and National Insurance all change from 6 April 2008. Capital limits have not changed other than for people in residential care where the lower limit is now £13,500 and the upper limit increases to £22,250. The personal allowance rate for residential care residents is increasing to £21.15 a week. We give details of the main changes in our new benefit rates poster and pocket leaflet. You can choose to have hard copies of these or visit www.hounslow.gov.uk/benefits to open the PDFs.

One good news item from the March 2008 budget is that child benefit will be disregarded as income for housing and council tax benefit from October 2009.

Other changes

Direct deductions The level of deductions from benefits will also be increasing with direct payment deductions for fuel debt (5% rate), direct payment of housing costs, water rates arrears and council tax arrears rising to £3.05 per week. The rate of recovery for overpayments rises to £9.15 per week (£12 in cases of fraud). There is now a fixed rate of £20 weekly for deductions on income from sub-tenants.

Health: New NHS charges have been introduced from 1 April 2008. A single prescription charge rises to £7.10. There have been increases to the amounts charged for the 3 month (£27.85) and 12 month (£102.50) prepayment certificates for prescriptions. These offer a saving to anyone who needs more than 3 items in 3 months or more than 14 items over a 12 month period. There are also increases to other NHS health charges such as the new dental bands (basic will rise to £16.20) and increases to the value of optical vouchers.

Healthy Start vouchers for low income families with under 5's rise to £3 a week with the income threshold set at £15,575 which will also be the threshold for families on working tax credit for automatic help with NHS health benefits.

Winter fuel payment increase of an extra £100 for households where someone is 80+ (£400) and £50 for 60-79 (£250) but on a one off basis for winter 2008/09.

Lone parents on Income Support will be subject to new rules over benefit entitlement where the claim is solely on grounds of being a lone parent. From 27 October 2008, where the youngest child is 12 or over, entitlement to Income Support will end unless they are claiming as a foster carer **or** as a carer of child or adult who gets middle care DLA or AA **or** because of sickness. If they are not well enough to work they would need to change their claim status before 27 October to remain on IS on sickness grounds as if they do so after this date they will be subject to the new Employment and Support Allowance with the tougher measures of the Work Capability Assessment. Otherwise they will need to sign on with Jobcentre Plus as available for work. From October 2009 this will apply where the youngest child is age 10 and from October 2010 where the youngest child is aged 7 or over. There is a promise that the jobseeking and potential sanction rules on lack of good cause where a lone parent gives up a job or is not actively pursuing work or training will be more sympathetically interpreted. There will also be additional support to lone parents in supporting them to make the move into work and whilst in work to enable them to progress. The £60 weekly in-work credit is available on top of other income for the first 12 months in work after a set period on an out of work benefit and does not reduce entitlement to tax credits and housing and council tax benefit. There will be work trials up to 6 weeks whilst remaining on full benefits amongst other incentives.

From 28 April 2008 lone parents on IS for 12 months whose youngest child is under

5 will join all other lone parents required to have mandatory work-focused interview at 6 monthly intervals.

Local housing allowance (LHA) was introduced on 7 April 2008 as a new way of assessing relevant rent levels for private sector tenants. It will apply to any new claim from this date or claims with a break of at least one week or who change address. It is based on a bedroom formula related to family size and composition regardless of the rent being charged. Hounslow has three charging areas (known as the broad rental market area) but the postcode is the determinant. There is a shared accommodation rate as well as a one to five bedroom rate. These figures will be reviewed and published monthly. Unless there are vulnerability reasons (Hounslow has a code of guidance on this) the payment will be made direct to the tenant and not the landlord. Check the Hounslow website for more information and leaflets on the LHA scheme.

Pathways to Work

The contract was awarded to Reed in Partnership and they are about to launch the West London Pathways. They will have a local base in Hounslow and should be promoting their service shortly as the formal go-live date is 28 April. The new Pathways process will apply to all new claims for incapacity based benefit from this date. There will be a system of structured and mandatory work focused interviews with the first one conducted by Jobcentre Plus and the remaining ones conducted by the Reed team. There will be a new terminology for the staff working within the Pathways and those liaising with them on the benefit claims process and any sanction process in Jobcentre Plus. Of interest are the condition management programmes which will be offered to benefit claimants with specified health conditions (mental ill health/musculoskeletal/cardiovascular). 70% of delivery of these programmes will be in house with Reed and the other 30% will be via the Expert Patient Programme and a specialist provider for complex needs. The first mandatory interviews are

unlikely before July at Pathways for new claimants but existing incapacity based benefit claimants can volunteer to join the process after April 28. From that date if any I.B. based claimants move into a job of 16+ hours for a minimum of 5 weeks, they will receive a **return to work credit** of £40 a week. Their expected income should not exceed £15,000. This will last for a maximum of 52 weeks and will not count as income for housing and council tax benefit or tax credits. They must have been on a qualifying benefit or NI credits due to incapacity for a minimum of 13 weeks before they will qualify.

Employment and Support Allowance

This benefit will be introduced initially for all new claims for incapacity based benefit from 27 October 2008 so it may well be in the interest of your clients to see if they qualify for existing benefits on ill-health grounds before this date. The reason for this is that the new benefit will be generally less generous than existing benefits – for example there is no disability premium for those in receipt of DLA as for IS now – and there is a 13 week gateway assessment period with only the basic JSA level of benefit paid. **Additionally** a new harsher assessment of capability – as opposed to incapacity – will replace the current Personal Capability Assessment to be known as the Work Capability Assessment. The DWP have stated that less people will qualify as meeting the WCA test to be found unfit for work as currently under the PCA. There will be many new initiatives accompanying the introduction of ESA and changing the culture of GPs and employers in relation to fitness to work. Additional resources will be put into an advice and support service for small and medium sized employers to give support to recruiting and retaining people with mental health needs within the workforce. The new benefit will replace Incapacity Benefit and Income Support on incapacity grounds. Following the 13week gateway assessment period, people will either be found fit for work, capable of some work and put into a work related activity group with a top up to basic benefit (£84.50 in total of which £24 is based on

compliance with work seeking activity) or the support group who will not have work seeking conditions imposed for them to receive benefit (£89.50 contribution based ESA of which £29 is the support component or £102.10 if they qualify for the income based ESA). In the gateway period the basic ESA rates are £60.50 or £47.95 for under 25s. There are no age additions on the contributory ESA or spouses additions. There is no couple's rate element either in ESA or for housing or council tax benefit. DLA will not trigger an additional payment as it does within the current benefits system.

How will existing incapacity based benefit claimants be affected? Initially the benefit will be for new claimants only but the first group of existing claimants to be moved across and be subject to the new WCA will be the under-25s in 2009. Then a gradual programme will be introduced so that all other existing claimants will be tested under the new WCA between April 2010 and April 2013.

Hounslow Welfare Benefits and Money Advice Unit will be producing a leaflet on the new benefit and the WCA in the summer and a briefing for advisers to accompany this with ESA rates. The draft regulations have only just been published and should be available on the DWP website.

Other brief points:

Pension Credit/Housing Benefit and Council Tax Benefit. The government has just published regulations proposing restricting good cause backdating on these benefits from 12 to 3 months from October 2008. The Social Security Advisory Committee will be consulting on these proposals during April so any comments need to go directly to them www.ssac.gov.uk. We have already commented and submitted case studies to the SSAC and DWP expressing our concerns.

Checks on benefits for existing claimants. DWP is now to review over

10,000 DLA cases a year under their 'right payment programme'. A sample of 12,000 cases a year will be selected of which 3,750 will be chosen at random to check for correctness – so could go up as well as down! The enquiry form will come by post and a specialist team of decision makers will then review the case and call for further evidence if necessary. There is already a review process in place for all claims over a set time where DLA was awarded on terminal illness grounds – some of these awards are being downgraded.

There will be a similar process for Incapacity Benefit claims with a random sample of 1,000 claimants being visited in the first 12 months and questions being asked about their circumstances and recorded on a review form. A decision will then be made as to whether to refer for a new PCA. Claimants with mental health needs or learning disabilities who have an appointee will not be visited without the appointee present.

Changes to staffing levels

Both staff who job share the social inclusion manager's post will be absent from April. One will be on maternity leave until December 2008 and the other will be away on ill health leave until June. In addition, another long serving adviser – Rosalind Ambrose – will be retiring in July 2008. We will try and minimise the effect of these absences on our work but will be suspending the training programme for this year and will be reducing the number of days for the phone helpline and consultancy service from July. At times we may have to close the waiting list if the number of cases exceeds our capacity. We will be producing some leaflets but other information and policy work will be severely curtailed. We will otherwise continue to deliver our services as advertised and hope to maintain our usual high standards.

Newsletter produced by Social Inclusion, Welfare Benefits and Money Advice Unit, Chief Executive's Directorate