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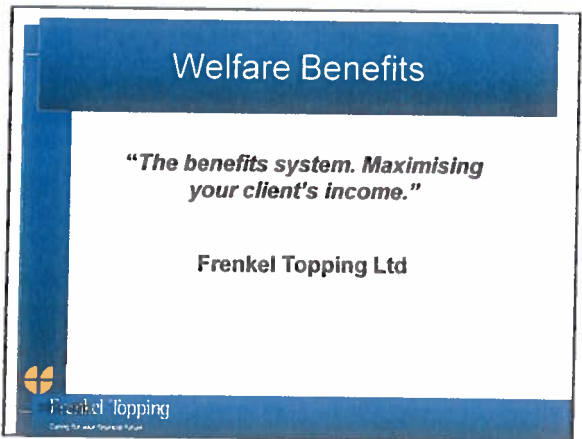
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**Welfare Benefits**

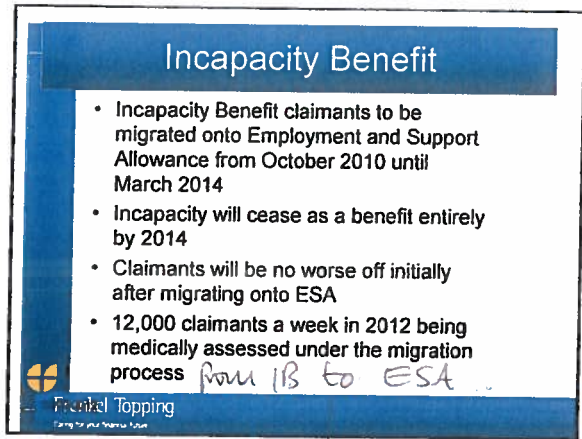
*"The benefits system. Maximising your client's income."*

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- CABs funding will be cut - this will have knock-on effect on people's ability to get advice on benefits

- Govt needing to save money so strong focus on <sup>review of</sup> benefits eg Incap. Benefit.



**Incapacity Benefit**

- Incapacity Benefit claimants to be migrated onto Employment and Support Allowance from October 2010 until March 2014
- Incapacity will cease as a benefit entirely by 2014
- Claimants will be no worse off initially after migrating onto ESA
- 12,000 claimants a week in 2012 being medically assessed under the migration process from IB to ESA

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2.5m are on IB - IB became a way of life for some people - to live on benefit - Govt looking to change this culture

IB was soon - mean-tested. Oct 08 IB closed to new claimants

Everyone on IB will be re-assessed for ESA by 2014.

⊗ If you've had C who has failed ESA app - tell them to appeal. stay on means tested whilst appealing

**Employment and Support Allowance (ESA)**

- ESA available to claimants with a disability or long-term health problems who cannot work, or have limited capability for work. non-means tested for 12 mths
- ESA is currently paid on a contribution or income related basis. means tested.
- Contributory-based ESA time limited to 12 months from April 2012
- ESA intended to be more work focused than the old Incapacity Benefit.

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IB - had to get 11 pts under <sup>assessment</sup> ~~assessment~~  
ESA threshold has raised to 15 pts

Large proportion of C's aren't meeting 15 pt threshold (78% fail) so are deemed fit to work so they fall back onto JSA which pays 1/3 less.

The application form for ESA H&O's are deliberately worded so "wrong" answer is given. Many people are failing to get ESA + they're appealing. ⊗

ESA has regular re-assessment whereas IB didn't - because ESA is aimed at getting people back to work -

**ESA continued (ESA)**

- Initial 13 week "Assessment phase" when claimant assessed by a Health Professional (known as "The work capability assessment")
- If awarded the required amount of points, claimant put into one of two groups
- Work-related activity group →
- Support group

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⊗ Some hope in future you will be fit to work so will ESA will renew your ability to work regularly.

→ Support ESA is equiv to old IB - i.e. deemed never to be able to work - only 5% of applicants get Support ESA.

**Jobseekers Allowance (JSA)**

- JSA for people who are unemployed or working less than 16 hours per week and seeking work
- There are two current types of JSA:
- Contribution-based JSA. Entitlement based on National Insurance contributions
- Income-based JSA. Means-tested and taxable
- Contribution-based JSA time limited for maximum 26 weeks then means tested

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Govt trend is to make more benefits means tested -

### Disability Living Allowance (DLA)

- DLA is a benefit that is made up of two components
- **Mobility component** paid at low and high rate only
- **Care component**. Paid at either low, middle, or high rates
- Not means-tested
- Can act as a "Passport" to other benefits
- Special Rules
- Coalition Government proposing to reform DLA under the new banner "Personal Independence Payments"

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Non-means tested

Lot of most generous benefits.

Its also a gateway to other benefits  
eg if get DLA + have needed  
assessment you will also get  
other help such as Council tax benefit  
+ Housing Benefit.

It is almost a benefit for life.  
Govt are aware of abuse (disability hidden/out of  
view + run!) - so it is in process of changing  
name of DLA to PIP. Those on DLA will need to  
re-apply.

### Personal Independence Payments (PIP)

- From 2014 all working age DLA recipients (aged 16-65 years) to be migrated onto the new benefit
- Migration will be in the form of a new medical assessment
- Government estimate a 20% reduction in expenditure after the migration process is complete

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Govt expect 25% of those on DLA  
will fail re-assessment.

The benefit will not then be indefinite - they  
will be subjected to re-assessment.

### Attendance Allowance (AA)

- Attendance Allowance applicable from aged 65 years
- Paid at low or high rate
- No mobility component available
- Not means tested
- Can act as a "Passport" to other benefits
- Potential for AA to be replaced by PIP

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DLA

~~AA~~ award is likely to be higher than  
if you apply before your  
65th birthday. If apply  
after 65 they won't get DLA -  
they'll get AA which  
pays less as it doesn't  
pay mobility component.

## Carers Allowance (CA)

- Carers Allowance is a means tested benefit for carers looking after a disabled person for at least 35 hours per week
- The disabled person who receives care must be in receipt of the middle/high rate care component of DLA, or any rate of Attendance Allowance for Carers Allowance to be applicable
- The Government will pay a class 1 National Insurance contribution to those who qualify for CA

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## Housing Benefit LHA/Council Tax Benefit (HB/CTB)

- Disability benefit entitlement (such as DLA) can actually lead to increased entitlement to HB/CTB
- Many claimants fail to inform the Local Authority when benefit is awarded, in the mistaken belief it will reduce entitlement to benefit because of the increase in overall income
- Non-dependant adults in the home are in fact disregarded when DLA (care) or Attendance Allowance is in payment, which can dramatically increase HBLHA/CTB
- Local Housing Allowance paid by Local Authorities from 2012

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## Pension Credit (PC)

- Pension Credit replaced Income Support for claimants at 60 years of age
- The rate of payment of Pension Credit is more generous than Income Support rates
- Pension Credit can include a savings credit element, but this only applies at age 65 and above
- Pension Credit will be phased out gradually, with the onset of private pension provision

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payments  
HB/CTB - now have ceilings. In some parts of London the cap is too low for to cover their rent. Many in London are having to move to cheaper areas.

This may have knock-on effects eg what about funding of schools with low children - what about families who work in the area where they live? Govt aren't interested in these effects.

Govt are introducing compulsory pensions - purpose is to combat problem of the cost of pension credit which is caused by the population living longer.

### Independent Living Fund

- The ILF currently has over 21,000 users
- No new ILF applications being taken as from 2010
- ILF to be phased out completely by 2015
- ILF budget for 2010-11 is nearly £360 million, with average payments to recipients £300 per week

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- Used to top-up cost of care.  
 - Closed to new applications  
 - ILF will stop for existing claimants in 2015.  
 - No plans to replace ILF with any other benefit to existing C's when it stops. - This will save Govt money. Minister for Health will write a statement clarifying the convy. of ILF stopping.

### CRAG Guidelines and Fairer charging policy

- CRAG: Charges for residential Accommodation guidance
- Personal injury trusts disregarded under CRAG guidelines
- PI trust can be regarded AND disregarded by Local Authorities under the Fairer Charging Policy
- Fairer Charging Policy is discretionary

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→ where C is getting care in own home.

### Universal Credit

- Expected to be implemented from 2013
- Enterprise Allowance for unemployed starting work for themselves
- UC designed to:
- Improve work incentives
- Smoother transition into & out of work
- Reduce in work poverty
- Cut back on fraud and error

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Govt's plan is to replace all of the above credits with one universal credit (benefit) payment. This will be paid in 1 payment + recipient will then need to use this to pay ~~what~~ their o'groups eg rent/council tax/transport/food.

- Universal credit will be means tested.

**Summary**

- This presentation is a taster of benefits that may apply to your clients
- It is important to bear in mind the importance of offering advice in this area of law
- We can offer specialist advice to clients on all aspects of welfare benefit law

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changing benefits means changing the rules and if you change the rules, some people will be deprived of benefits

There will be means testing - people will fail, some won't bother being reassessed - so Govt will raise £11 Billion

- Benefits will be capped @ £26k in April 2012 (incl child Tax Credit)

**and Finally ...**

- Any Questions?



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Parents scared - 1 case where family in Bristol ~ 10 children - wife on Incap Benefit husband was carer - they were getting £96k per in benefits. This will reduce to £26k. ~~Govt~~ Aim is to motivate people need to work.

① Ensure your clients get proper advice on benefits + that their benefits are maximised.

↓  
 Benefits agency officially or unofficially are trying to minimise - claims - they are allowed to advise C's they are not entitled to benefit. To maximise benefits - you need to bypass benefits agency for advice + get proper advice.



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Q - T. Cook - Will PIP affect mobility component of PLA?

Yes it will. Govt think 25% will fall by way side anyway. Govt may offer remaining 75% but they may reduce it further so criteria may get more diff.