

New 'Help to Work' scheme for long-term JSA claimants

A new 'Help to Work' scheme for long-term jobseeker's allowance claimants, to start in April 2014, was announced at the 2013 Conservative Party Conference.

In his speech at the Conference, Chancellor George Osborne said –

'For the first time, all long-term unemployed people who are capable of work will be required to do something in return for their benefits to help them find work.... No-one will be ignored or left without help. But no one will get something for nothing. Help to work – and in return work for the dole.'

Mr Osborne went on to say that claimants affected will be required to either –

- attend a jobcentre every day;
- undertake a community work placement, such as making meals for the elderly or clearing up litter; or
- participate in 'an intensive regime of support' where they have underlying problems like drug addiction or illiteracy.

The Treasury says that those who have been unemployed 'for three years or more' will be transferred to the 'Help to Work' scheme when they leave the Work Programme after April 2014, but that the scheme will not apply to employment and support allowance claimants.

For more information, see www.gov.uk/government/news/help-to-work-scheme-announced-by-the-government □

Universal credit has suffered from 'weak management, ineffective control & poor governance'

In a highly critical report, *Universal Credit: early progress*, published on 5 September 2013, the National Audit Office (NAO) assesses the implications for value for money of the DWP's progress against its plans, and reviews the Department's management of the programme.

Concluding that the DWP was overly ambitious in both the timetable and scope of the programme, the NAO says that the Department took risks to try to meet the short timescale, and used a new project management approach which it had never before used on a programme of this size and complexity.

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Benefit fraud to be subject to maximum 10-year prison sentence

Benefit and tax credit fraud are to be subject to a maximum 10-year prison sentence, the Crown Prosecution Service (CPS) has announced.

In guidance issued on 16 September 2013, the CPS sets out the approach prosecutors should take in deciding the appropriate offences to use in benefit and tax credit cases and says that, where the alleged offending merits such an approach and prosecutors anticipate a very substantial prison sentence, they should charge under the *Fraud Act 2006* which carries a maximum sentence of 10 years, rather than the *Social Security Administration Act 1992* which carries a maximum sentence of seven years.

The guidance also sets out the factors that prosecutors should take into account when advising the court on whether to send cases to the Crown Court, and that also act as the aggravating factors that prosecutors will draw to the sentencing court's attention. The factors include –

- whether the fraud was professionally planned;
- whether the fraud was carried out over a significant period of time;
- whether multiple frauds occurred (multiple frauds include where one false declaration or a failure to disclose a change of circumstances results in multiple payments);

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Around 100 jobcentres a month to begin using claimant commitment from October 2013

On 29 August 2013, the DWP announced that around 100 jobcentres a month will begin using the claimant commitment from October 2013, until it is in place across the country.

The Department said that, with the introduction of the claimant commitment, jobseekers will have to account more clearly for their efforts to find work and will be given a weekly timetable of tasks to complete. Those who fail to comply with their responsibilities risk losing benefit, the DWP added.

Commenting on the roll-out of the claimant commitment, Secretary of State for Work and Pensions Iain Duncan Smith said –

'This is about redefining the relationship between benefit claimants and the state. The welfare state will support people when they fall on hard times, but in return they need to meet some contracted responsibilities agreed with a Jobcentre Plus adviser.

For those people on jobseeker's allowance, looking for work should be a full time job. It is fair and reasonable for the taxpayer to expect that claimants should do everything within their power to get into work.'

For more information, see www.gov.uk/government/news/claimant-commitment-to-spell-out-what-jobseekers-must-do-in-return-for-benefits

Stop press: on 14 October 2013, Rugby and Inverness became the first jobcentres to begin using the claimant commitment for new JSA claimants. □

Advice organisations launch campaign to give benefit claimants a voice

On 13 September 2013, advice organisations from across the UK launched a campaign designed to give a voice to the millions of people who have been supported by benefits, their friends and their families.

Backed by more than 50 organisations – including Crisis, Gingerbread, Macmillan, Mind and the Children's Society – the new *Who Benefits?* campaign will run until the 2015 general election and will use real stories to show the public, journalists and politicians the reality of who needs help, why they need it and the difference that it makes –

'At a time when fundamental changes are being made to the system, public debate too often focuses on extreme examples, myths and stereotypes. There is a vicious circle in which hostile political rhetoric and media coverage reinforce negative public attitudes towards people who need help.

Across many organisations we see the consequences of that every day, in the stigma felt by individuals and the policy responses of all political

parties. Major cuts and changes to benefits are already affecting many of those that we work with and more changes are on the way.

The future of social security will define the next election, and across all the major parties the signs are not good in terms of rhetoric or policy direction. As politicians write their manifestos, it is time for a new debate.'

As well as aiming to give a voice to people with personal experience of working age benefits whose stories are rarely heard, the new campaign will also be designed to change the context in which future policy and spending decisions are made, making it easier for politicians and other actors in the debate (including the media) to speak in positive terms about working age benefits and people supported by them, and more costly to use negative and misleading rhetoric; and also reduce the stigma felt by those who claim benefits or would be entitled to do so.

For more information on the campaign and to pledge your support, see www.whobenefits.org.uk □

'Damning evidence' shows effect of bedroom tax on housing association tenants

More than half of housing association tenants affected by the bedroom tax have been unable to pay their rent, according to the National Housing Federation (NHF).

Setting out the results of a survey of 51 housing associations, the NHF says that 51 per cent (32,432) of residents affected by the bedroom tax have been unable to pay their rent between April and June this year.

The survey also found that 25 per cent of those affected by the tax are in rent arrears for the first time, according to a smaller sample of 38 housing associations.

Commenting on the findings, NHF Chief Executive David Orr said –

'This is the most damning evidence yet to show that the bedroom tax is

pushing thousands of families into a spiralling cycle of debt.

If these figures are replicated nationwide, over 330,000 households could already be struggling to pay their rent and facing a frightening and uncertain future.

What's more, people can't even move to smaller homes to avoid the bedroom tax because there aren't enough smaller properties out there.'

NB – in addition, the TUC reports that responses to freedom of information requests from 114 councils have revealed that one in three, or 50,000, council tenants affected by the new measure have fallen into rent arrears.

For more information on the NHF survey, see www.housing.org.uk □

New ESA pilots to get more people into work

A new pilot scheme to get more employment and support allowance (ESA) claimants into work in Manchester was announced by the Treasury on 30 September 2013.

To be funded by the government and designed 'to mirror the success of the troubled families programme', the Treasury says that ESA claimants on the scheme will be given a single contact to help with their job search and health and social care support.

The Treasury adds that a key worker will be responsible for identifying the

best help, advice and actions needed by an ESA claimant due to leave the Work Programme, and that this could include arranging occupational health visits, mental health support and housing support, and staging these in a way that enable the claimant to move closer to, and into, work.

The scheme will last for two years and be run by Greater Manchester Council.

For more information see www.gov.uk/government/news/help-to-work-scheme-announced-by-the-government □

Labour commits to welfare reforms if elected in 2015

Speaking ahead of the 2013 Labour Party Conference, Party Leader Ed Miliband told the BBC that the bedroom tax is 'wrong, iniquitous and is not working' and that two-thirds of those affected are disabled and would struggle to find anywhere else to live.

As a result, Mr Miliband said that the Labour Party is 'serving notice that we will end the bedroom tax' and that the reform will be paid for by scrapping a tax break for hedge funds and the Treasury's shares-for-rights scheme.

In addition, in a speech to the Conference, the then Shadow Work and Pensions Secretary Liam Byrne said, if elected, the Labour Party will deliver a 'large devolution of power from the DWP to local councils'.

Mr Byrne went on to say –

'When the welfare state was started, its big idea was to 'minimise disruption to earnings'. Now our task is different. It's to 'maximise potential of earnings'. That why we need universal credit to work. So if the government won't act to save it, we will. The Tories' system may prove

dead on arrival. So we need a better way. So, today we announce our Universal Credit Rescue Committee. And I'm grateful to Kieran Quinn, leader of Tameside, the first pathfinder, for his offer to drive our work.'

Other measures set out by Mr Byrne included the introduction of a two-year limit on claiming benefits for those who are fit to work, after which they would be mandated to take employment, and extra assistance for those in their fifties 'who've paid their dues but are desperate for extra help to work again'.

NB – Mr Byrne also called on the Prime Minister to immediately 'sack' Atos Healthcare (the company carrying out work capability assessments and contracted to deliver the new personal independence payment assessments). He had earlier told the BBC that Atos is getting 'too many tests wrong' and that the government should 'sack them and sack them now'.

For more information, see *Miliband pledges to reverse social housing changes* and *Labour: Fitness-for-work tester Atos 'should be sacked'* on the BBC website. □

Government announces pilot schemes for full-time mandatory attendance at jobcentres

Two pilot schemes requiring the full-time mandatory attendance of selected claimants at jobcentres were announced at the 2013 Conservative Party Conference.

In his speech at the Conference on 1 October 2013, Work and Pensions Secretary Iain Duncan Smith said –

'Prior to the Work Programme we are going to pilot a Mandatory Attendance Centre where selected individuals will receive expert support and supervision while they search and apply for jobs – that is 9 o'clock to 5 o'clock – 35 hours a week – for up to six months, simulating the working day.'

'These pilots will be targeted at claimants who will benefit from the intensive support – one pilot before the Work Programme and one for after the Work Programme.'

'Alongside the Mandatory Work Programme and our tough sanctions regime, this marks the end of the Something for Nothing Culture.'

The DWP says that one pilot will target the 'very long-term' unemployed and the other will focus on claimants identified as likely to benefit from an intensive regime early on in their claim, and that failure to participate without good reason will lead to a benefit sanction.

Further, the DWP says that the pilots are expected to be running by the end of 2014, and that each is expected to have around 3,000 participants.

For more information see www.gov.uk/government/news/claimants-required-to-undertake-supervised-jobsearch-at-new-centres □

For more information on all these changes see –

www.rightsnet.org.uk

the welfare rights website for advice workers

Universal credit programme has suffered from 'weak management, ineffective control and poor governance'

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It also notes that in early 2013 the DWP was forced to stop work on its plans for national roll-out and reassess its options for the future.

In highlighting problems with the DWP's IT systems, the NAO says that they offer limited functionality, for example the current system lacks a component to identify potentially fraudulent claims so that the DWP has to rely on multiple manual checks on claims and payments. The NAO goes on to say that such checks will not be feasible or adequate once the system is running nationally. The NAO also finds that 70 per cent of the £425m spent to date on the universal credit programme has been on IT systems, and that the Department has already written off £34m and does not yet know if the IT systems will support national roll-out.

Whilst the NAO says that the programme still has potential to create significant benefits for society, it adds that the DWP 'must scale back its delivery ambition and set out realistic plans'.

Other key findings in the report include –

- the DWP was unable to explain how it originally decided on October 2013 for national roll-out, or evaluated the feasibility of roll-out by this date;
- throughout the programme the DWP has lacked a detailed view of how universal credit is meant to work;
- in practice the DWP did not have any adequate measures of progress, although it was critical that it should have had good progress information and effective controls; and
- by autumn 2012, the DWP substantially restructured the programme in an attempt to address concerns, but by then had to focus on the short-term delivery of pathfinders.

Launching the report, head of the NAO Amyas Morse said –

'The Department's plans for universal credit were driven by an ambitious timescale, and this led to the adoption of a systems development approach new to the Department. The relatively high risk trajectory was not, however, matched by an appropriate management approach. Instead, the programme suffered from weak management, ineffective control and poor governance. Universal credit could well go on to achieve considerable benefits if the Department learns from these early setbacks and puts realistic plans and strong discipline in place for its future roll-out.'

However, responding to the NAO findings, the DWP says that –

'We are committed to delivering universal credit on time by 2017 and within budget, and under new leadership we have a plan in place that is achievable.'

The report does not cover the significant developments we've made since April including the go live in Greater Manchester, our progress on the IT challenge, the latest plans for expansion from October, or the fact that we brought in two of the country's leading project management experts to lead universal credit.'

NB – on 12 September 2013, whilst giving evidence to the Public Accounts Committee, DWP finance director general Mike Driver said that the Department will have to write off up to £161m of the money spent on universal credit IT.

Universal Credit: early progress is available from the NAO website at www.nao.org.uk/report/universal-credit-early-progress □

Benefit fraud to be subject to maximum 10 year prison sentence

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- use of a false or stolen identity;
- relevant previous convictions/cautions/previous out-of-court disposals for benefit fraud;
- an attempt to conceal or dispose of evidence;
- abuse of a position of trust; and
- substantial consequential loss to public funds.

Commenting on the new guidance, Director of Public Prosecutions Kier Starmer said –

'Fraud against the benefits and tax credit system is estimated to cost the UK £1.9bn every year. It is a myth that 'getting one over on the system' is a victimless crime: the truth is we all pay the price. But it's not only taxpayers that suffer. Benefits exist to protect and support the most vulnerable people in our society and whenever the system is defrauded, it's also taking money away from those with a genuine need.'

It is vital that we take a tough stance on this type of fraud and I am determined to see a clamp-down.... The guidance for prosecutors is clear that if the evidence demonstrates an element of dishonesty, rather than just knowledge of a fraud, the appropriate charges should be used. This will ensure that following conviction, all options are on the table for magistrates and judges including custodial sentences. Indeed, prosecutors are also instructed not to shy away from using a range of legislation that carries higher sentences where it is merited.'

For more information see www.cps.gov.uk/news/latest_news/director_of_public_prosecutions_sets_out_charging_standards_for_benefit_and_tax_credit_fraud □

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