



Personal independence payment and welfare reform

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Child Poverty Action Group (CPAG)

Our aims:

- Raise awareness of the causes, extent, nature and impact of poverty, and strategies for its eradication and prevention;
- Bring about positive policy changes for families with children in poverty;
- Enable those eligible for income maintenance to have access to their full entitlement.

CPAG in Scotland provides training, information and advice to advisers helping Scottish families, as well as policy work with other organisations to try to influence UK and Scottish Governments.

Background

- In 2010, the Westminster coalition government announced £18 billion in welfare cuts by 2015
- The ones most directly relevant to disabled people are contained in the Welfare Reform Bill 2011 – which is currently progressing through the House of Lords
- The cuts to benefit entitlements come at a time when local authorities are also under pressure to save money

Outline

- Personal independence payment
- Universal credit (carers and disability additions)
- Other changes
- Questions

Key points for each part:

- Who is affected
- What it means
- When it will happen

Remember that most of these changes are not yet law – they are proposed changes to the law.

Personal independence payment – who is affected

- Anyone between 16 and 64 who receives disability living allowance
- This will include children when they reach their 16th birthday
- Anyone who claims carer's allowance for looking after someone who is affected may also be affected by the change

The government is considering replacing disability living allowance for under 16s too – no plans published yet, and they will first evaluate the effect on working-age adults

Personal independence payment

– what it means

- Personal independence payment will replace disability living allowance
- It will ‘be focused on those who face the greatest challenges to taking part in everyday life’
- Like disability living allowance:
 - It won’t be affected by other benefits or income
 - It will be payable in or out of work
 - You won’t need to have paid national insurance contributions
 - There will be conditions about being resident in the United Kingdom and having the right to claim benefits
 - There will be two ‘components’ paid at different rates

Personal independence payment – what it means

Some important changes:

- Personal independence payment will only be paid once you have had the needs for six months (for disability living allowance it is three months)
- The ‘care component’ will be called the ‘daily living component’, and will have only two rates
- There will be very few indefinite awards
- The way of looking at claims will be completely different, and normally involve a face-to-face assessment...

Personal independence payment – what it means

This is a draft document – it will be updated.

DAILY LIVING COMPONENT

1. Preparing food and drink
2. Taking nutrition
3. Managing therapy or monitoring a health condition
4. Bathing and grooming
5. Managing toilet needs or incontinence
6. Dressing and undressing
7. Communicating
8. Engaging socially
9. Making financial decisions

MOBILITY COMPONENT

10. Planning and following a journey
11. Moving around

Personal independence payment – what it means

This is a draft document – it will be updated.

7. Communicating	a. Can communicate unaided and access written information unaided, or using spectacles or contact lenses.	0
	b. Needs to use an aid or appliance other than spectacles or contact lenses to access written information.	2
	c. Needs to use an aid or appliance to express or understand verbal communication.	2
	d. Needs assistance to access written information.	4
	e. Needs communication support to express or understand complex verbal information.	4
	f. Needs communication support to express or understand basic verbal information.	8
	g. Cannot communicate at all.	12

Personal independence payment – what it means

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1. Planning and following a journey.	a. Can plan and follow a journey unaided.	0
	b. Needs prompting for all journeys to avoid overwhelming psychological distress to the claimant.	4
	c. Needs either – (i) supervision, prompting or a support dog to follow a journey to an unfamiliar destination; or (ii) a journey to an unfamiliar destination to have been planned entirely by another person .	8
	d. Cannot follow any journey because it would cause overwhelming psychological distress to the claimant.	10
	e. Needs either – (i) supervision, prompting or a support dog to follow a journey to a familiar destination; or (ii) a journey to an familiar destination to have been planned entirely by another person .	15

Personal independence payment – what it means

There is a much greater use of definitions in the proposed assessment, for example:

- “communication support” means-
 - (a) support from a person trained to communicate with people with specific communication needs; or
 - (b) Support from someone experienced in communicating with the claimant;
- “supervision” means the continuous presence of another person for the purpose of ensuring the safety of the claimant

This contrasts with the entitlement conditions for disability living allowance, which are thought to be ‘too subjective’, and thus inconsistent

Personal independence payment – when it will happen

- Personal independence payment introduced from April 2013
- Disability living allowance claimants assessed for transfer between April 2013 and March 2016
- Date of re-assessment **likely** to be the date on which an award of disability living allowance ends
- **Likely** to be 16th birthday for children who reach 16 and get disability living allowance
- People with an indefinite award **likely** to be sent a letter to explain the reassessment at some point between the above dates

Universal credit – who is affected

- Any claimant of:
 - Income support
 - Income-based jobseeker's allowance
 - Income-related employment and support allowance
 - Housing benefit
 - Working tax credit
 - Child tax credit
- These benefits will **all** be replaced by universal credit.
- Today, we will focus on the impact on people claiming carer's allowance and amounts for disability...

Universal credit

– what it means (for carers)

- Carer's allowance will still exist, although the rules may change (no details yet)
- If you get income support, you will be transferred to universal credit
- If you get tax credits (or your partner does), you will be transferred to universal credit
- The earnings rules for carers may change (no details available)
- Carers won't have to look for work (most people will)
- It will no longer be possible to get an amount as a carer and an amount for your own health problems, although the rate of benefit you get will be protected when you are transferred

Universal credit

– what it means (disability additions)

- The amount received for disabled children is being reduced, except for children who get disability living allowance high rate care, or have a severe visual impairment
- The disability additions for adults are being changed, and will reduce if you are not in the support group for employment and support allowance
- In both cases if you are transferred to universal credit, the amount of benefit you receive will be protected until your circumstances change

Universal credit – when it will happen

- From October 2013, no new claims for income support
- From April 2014, no new claims for housing benefit or tax credits
- Transfer to universal credit complete by 2017
- You will be transferred if there is a change in your circumstances (for example if you start work, or have your first child)
- The plan is currently that income support claimants will be transferred by the end of 2015

Other changes in brief

- Employment and support allowance based on national insurance contributions to be time-limited to a year from April 2012 (not for people in the support group)
- The removal of the employment and support allowance in youth rules from April 2012
- The assessment for employment and support allowance has changed, and is still under review
- Claimants of incapacity benefit, severe disablement allowance and income support due to sickness are being assessed for transfer to employment and support allowance

Other changes in brief

- Changes to the amount of help with your rent (both housing benefit and universal credit)
- Council tax benefit is being abolished. Scottish Government has not decided on a replacement scheme yet
- Parts of the social fund are being devolved to Scotland
- ‘Benefit cap’ on total household benefits. There is a planned exemption for households where someone gets disability living allowance, and for some working households

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