

## **Welfare Reform Review 2013**

### **Report by Eibhlin McHugh, Joint Director, Health & Social Care**

#### **1 Purpose of Report**

This report provides an update on the key issues related to Welfare Reform implementation in Midlothian since the Welfare Reform Act 2012 introduced a number of changes that have impacted on the Council from 1<sup>st</sup> April 2013.

The loss of benefit income resulting from Welfare Reform and the changes in housing benefit, together with the additional cost impacts of the transfer of duties to the Council will result in unsustainable demands being placed on the Council and will have a negative effect on the sustainability of the local economy without further mitigation.

#### **2 Background**

**2.1** Welfare Reform measures resulted in significant changes introduced across a range of state benefits that impacted widely on individual households. There are three main elements to the Welfare Reform changes being brought in. Transitions involving the replacement of existing benefits by another benefit; a number of reductions in benefit entitlements; and the localisation of some benefits. These planned activities are outlined in Appendix 1 attached to this report.

This report provides a review of the issues and effects related to Welfare Reform implementation to date, including an updated estimate of the cost to Midlothian Council. Concerns remain about the timescale of further Welfare Reform changes, the impact of cuts to the benefit system, to local households and to the Midlothian economy. At a local level work was undertaken to understand, prepare for and mitigate against the effects of Welfare Reform, particularly to identify households impacted by the changes, to pro-actively offer advice and assistance. Work continues to mitigate the effects of Welfare Reform and information and advice is available to individuals affected by these changes.

#### **2.2 Under Occupancy Charge**

Midlothian Council administers Housing Benefit at present on behalf of the Department for Work & Pensions (DWP) and is responsible for implementing the under-occupancy charge locally. All necessary changes to systems and processes were made and all individuals identified as affected by the under-occupancy charge were notified through direct and general communications to ensure individual households were aware of the changes and the need to take action to avoid arrears before 1 April, 2013.

There are currently 1200 claimants affected by the under-occupancy charge, 800 Midlothian Council tenants and 400 Registered Social Landlord tenants

(Melville HA and Castle Rock Edinvar Housing Associations). There has been a 35% increase in rent arrears from £813,494 at 2 December, 2012 to £1,103,808 at 1 December 2013. The level of arrears in terms of net rent due has also increased by 1.30% from 7.31% to 8.61% over the same period. As at 30 September, 2013 it was estimated that arrears had increased by £105,000 since 1 April, 2013 due to non payment of the under-occupancy charge. This has led to an increase in the number of tenants in serious arrears of over £250.00 or 13 weeks from 456 at 1 April, 2013 to 660 at 1 December, 2013.

- 26% of tenants affected had no arrears
- 46% had arrears less than £250.00
- 28% had arrears greater than £250.00.

Since 1 April there has been an increase in early intervention with tenants in arrears with a 40% increase in initial arrears letters being compared with the same period last year. There has also been an increase of over 100% in the number of visits to tenants at the pre-notice stage of recovery.

Following a request from Council, the Welfare Reform Members Group considered the eviction policy on rent debt resulting from under-occupancy charge. The Members Group recommended that a non eviction policy should be implemented for a 12 month period for all tenants accruing rent solely as a result of under- occupancy charges and where all reasonable effort had been made to meet this element of rent liability. It was noted that this would not preclude all other enforcement options, and there needed to be a strong message that individuals should make every effort to pay the under - occupancy charge. The non-eviction policy for non-payment of the charge also adds to the challenge of collecting rent as tenants fail to engage with the Council and adopt a non-payment culture.

It was identified that majority of households in temporary accommodation are under-occupying and would be further impacted by the introduction of the benefit cap. It was therefore agreed to freeze rents and service charges for temporary accommodation in 2013/14 to mitigate effect of the benefit cap. It is recommended to extend that position for one further year.

### **2.3 Discretionary Housing Payment (DHP)**

Discretionary Housing Payments (DHP), were not originally about the under occupancy charge (bedroom tax) but for housing need or hardship more generally for those on Housing Benefit, including the cost of landlord deposits and removal costs. DHP is available to tenants where their Housing Benefit does not cover all the rent they have to pay. DHP is designed to support tenants facing specific challenges in meeting rent, including costs relating to disability, and tenants whose Housing Benefit has been reduced, now including those affected by the under -occupancy charge (Bedroom Tax).

In Midlothian, the DWP allocation for Discretionary Housing Payment (DHP) was increased to £159,483 for 2013/14 with awards amounting to £186,000 as at 16 January, 2014. The Scottish Government has provided an additional amount of £236,818 which the Council can use to 'top up' DHP expenditure to the maximum overall limit of £398,708. A bid for additional funding was made to the DWP and an award of £40,000 approved.

## **2.4 Benefits Cap**

The Benefit Cap was implemented in July, 2013, which restricts the total amount of benefit to £500.00 per week for couples or single parents and £350.00 per week for single people. To date approximately 50 claimants in Midlothian have been affected and had their entitlement to housing benefit reduced. Claimants have been signposted to DWP for advice on finding work.

## **2.5 Scottish Welfare Fund**

The Council took on responsibility for administering the Scottish Welfare Fund (SWF) in Midlothian. The new Scottish Welfare Fund has 2 purposes, similar to the former Crisis Loans and Community Care Grants respectively.

- To provide a safety net in times of disaster or emergency when there is an immediate threat to a household's health and safety.
- To enable independent living, or enable continued independent living, preventing the need for institutional care.

During the initial 6 months following the introduction of the new scheme from 1 April 2013, there was a significant under spend in the budget at a local level in Midlothian, which is also reflected in the position nationally.

The Scottish Government has been working with local authorities on amended guidance to increase the flexibility of the scheme and clarify areas identified from the early practice experience. This new guidance was implemented from 1 October, 2013 and the priority level for community care grants has also been reduced for eligibility.

During October, 2013, the Contact Centre received 600 calls which resulted in 369 applications being processed by the Revenues processing section. The impact is effecting other areas of Revenues services and the Contact Centre, as SWF calls and claims are treated as priority. Additional staff are being recruited at present to the Contact Centre to deal with these calls as it has now been demonstrated that the resources allocated are inadequate.

As at 31 December, 2013, 2,388 applications have been received and £195,722 awarded (£65,717 crisis grants, £134,005 community care grants).

No significant issues have arisen in the operation of the scheme or our ability to process grant applications within the specified timescales, as these are treated as the priority over other work. The payment procedures are working well with crisis grants being paid in food vouchers and cash, and community care grants paid out mainly by MARC providing household goods to a specified value. Claimants can choose to have new or recycled goods which allows for a wider range of items to be provided subject to individual choice.

## **2.6 Mitigation Activities**

Actions continue led by the regeneration section and the MFIN partnership to inform and support people about sources for those in hardship, such as foodbanks, Scottish Welfare Fund, Welfare Rights, Credit Unions and budgeting advice.

- Fairer Scotland Funding projects addressing Welfare Reform issues.
- Increased Hardship support and money advice provision
- Co-ordinated approach to support provision
- Welfare Rights Forum to co-ordinate service provision. The Council carried out a development programme to targeted staff and agencies to ensure they were well informed, understand the new benefits system to give clear and concise information and assistance.
- Additional funding for carers
- Welfare Rights training to increase capacity
- Communications, including Midlothian News and linked websites. The Council's Communications & Marketing Team developed a communications plan to provide public information in accessible formats.
- Managing implementation and the successful operation of the Scottish Welfare Fund
- Protecting income to the local authority.

Through various partnership bids developed by the regeneration section, and the Midlothian Financial Inclusion Network, a substantial amount of funding has been secured for Midlothian in order to mitigate the impacts of Welfare Reform, as detailed in the table below. The undernoted funding from external sources is currently in place until March 2015

Big Lottery Fund Support and Connect: Trussell Trust	£48,220
Big Lottery Fund Support and Connect: Midlothian Council (partnership bid with MFIN & Changeworks)	£200,000
Scottish Legal Aid Board Making Advice Work: Penicuik and Dalkeith CABx joint bid	£109,793
Scottish Legal Aid Board Making Advice Work: Melville Housing	£92,000
<b>Total</b>	<b>£450,013</b>

### **Managing a Drop in Household Income**

Procedures have been implemented by the regeneration section's welfare rights staff to refer claimants to the Midlothian Foodbank, Changeworks Affordable Warm Team and the MARCH project for benefits checks, debt and budgeting advice.

Midlothian Welfare Reform Support Group is a collective forum formed by the Council, Forward Mid and Grapevine as the local support organisation for disabled people and those with long term conditions to a peer support group for those who are affected by the changes in benefits and entitlements.

Criminal Justice SW have highlighted that their client group have been subject to high level of JSA sanctions which means the clients can have no JSA for up to 13 weeks. Criminal Justice social work are actively referring ex-offenders who experience benefits sanctions as it impacts on effective offender management.

The Affordable Living Officer provides support to people to be more in control of their household budgets, save money on their energy costs and save money on their food costs.

### **Help with Financial Planning**

Coordination of provision of support in financial inclusion activity continues led by the regeneration section with partners in the Midlothian Financial Inclusion Network (MFIN). The Midlothian Child Poverty strategy, coordinated by regeneration underpins all of these activities and is currently being revised to ensure ongoing co-ordination of activities between partners. Successful grant applications supported by regeneration staff and MFIN were made for Lottery and Scottish Legal Aid Funding (SLAB) resulting in £450,013, to provide a Penicuik CAB Welfare Rights Officer and a Dalkeith CAB Money Advisor.

### **Responding to increased hardship**

Alternative means of reducing household costs has been required and will continue. This includes partnerships with existing charities and agencies. Local churches and faith groups providing access to free or cheap household goods, food and clothing. Close links have been developed by regeneration and children's services with Midlothian Churches and these are proving to be a valuable source of support for many residents affected, particularly the provision of foodbanks. Food bank parcel provision is hosted in voluntary sector and council offices. Strong links are also continuing with healthcare providers across Midlothian to support people on very low incomes to maintain healthy lifestyles.

### **Employability**

Supporting employability and increasing local employment opportunities are also preventative measures. The Council takes a leading role in the delivery of vocational training and employability services to vulnerable groups and works closely with Skills Development Scotland, the DWP and the Third Sector.

The Regeneration section through, Midlothian Training Services (MTS), delivers a wide range of employability services, annually assisting over 800 unemployed clients through a set of contract funded programmes. These include – working for families by assisting parents seeking to re-enter work with areas such as childcare costs, debt advice, interview preparation, MiTech – developing ICT skills required for employment in a range of occupations, STEM – assisting adults with learning disabilities and mental health needs to enter work, Training for work – short courses for long term unemployed job seekers focussing on gaining relevant skills for work and basic qualifications, CSCS training to enable people to gain construction site safety certificates, the youth employment initiative offering employer a six month wages subsidy of 50% minimum wages when they take on a person under 25, vocational training for young unemployed adults, school leavers and modern

apprentices. MTS operates a set of vocational, workshops in Loanhead; a flat in which the most vulnerable young adults are supported with lifeskills in Dalkeith, and a range of school and post school learning and training services from their base in Bonnyrigg.

Community Learning & Development have also been addressing IT skills, for employability and claimant purposes in access to computers, including libraries and council offices in accessing local services

Midlothian Council, in partnership with Midlothian Financial Inclusion Network and Midlothian Churches is currently considering the possibility of hosting a community banking branch. Grand Central Savings (GCS) is an independent charity using a standardised model of delivery, providing access to banking facilities, money advice and assistance to the most financially excluded in communities. Working with the most economically vulnerable, GCS provides customers with a safe place to bank. Underwritten through a partnership with the Bank of Scotland, customers are able to open basic bank accounts without traditional forms of identification, they are not charged for the service or for inadequate funds and can withdraw up to £200 per day.

The “HomeGuard” account is viewed as an effective response to fears that large numbers of people may struggle to manage their finances following the introduction of Universal Credit. The “HomeGuard” account works when the customer authorises GCS to hold a proportion of the Universal Credit the instant it is paid, to ensure essentials such as rent, council tax and other bills can be paid automatically.

If Midlothian considers setting up a branch of Grand Central Savings and encouraging tenants to open “HomeGuard” accounts Midlothian Council hopes to ease the impact of Universal Credit, which is anticipated to be phased in across 2014.

An information seminar for elected members on this potential project is scheduled for 20 January, 2014.

### **Regeneration – Welfare Rights Team**

At present the current 2 welfare rights officers have represented claimants at 300 appeal hearings since January 2013. Currently we have a funded Welfare Rights Officer post with the funding commitment due to finish on 31<sup>st</sup> March 2014. Due to rising demand for appeals and tribunals support, more legislative change underway with the roll out of Personal Independence Payment (PIP) and Universal Credit, and also work load pressures on the Senior Welfare Rights Officer it is proposed to review this service within existing resource options and alternative sources of funding.

## **3 Report Implications**

### **3.1 Resource**

It was reported to Council in May 2013 that Welfare Reform will place pressure on the Council's financial resources. The main impacts on the Council's resources are as follows:

### **Rent Arrears**

The level of rent arrears has increased due to the introduction of the under-occupancy charge and is currently estimated at about £14,000 per week until Universal Credit is introduced. This gives an annual cost of £728,000 which will have a negative impact on the Housing Revenue Account (HRA) reserves.

It is estimated that this level will stay the same for 2014/15, however is likely to increase when Universal Credit is implemented in 2015/16, the level of arrears will be mitigated slightly due to Lord Freud's proposal for Local Authority's to retain the rent charge if Council Tenants are deemed high risk or fall into arrears.

In projecting rental income effects from Universal Credit, the evidence from the universal credit pilot areas is that the move to one monthly payment direct to claimants will see a significant increase in rent arrears as tenants in social housing struggle to adjust. A pilot involving around 2,000 tenants earlier this year showed tenants who started the pilot with no rent arrears found themselves on average £180 in debt at the end of the pilot. The pilot involved 1,500 local authority tenants and 500 tenants of a housing association. It found only 60 per cent of tenants successfully moved onto the pilot, with 40 per cent failing to successfully manage their monthly budgets.

Of those involved, 11 per cent refused or were unable to engage with the local authority and 14 per cent were later deemed too vulnerable to take part. Further small-scale pilots have shown that under the new benefits system, housing officers have to make upwards of 40 visits in each case when pursuing rent arrears, compared against six under the current system. This adds an enormous administrative burden and cost to providing social housing.

As a result it is estimated that the level of arrears will increase to approximately £2.000 million per annum when Universal Credit is introduced. however this figure would be reduced significantly to approximately £0.600 million if we contract Places for People, at a cost of £0.043 million per annum to liaise and provide support for our tenants.

A Financial Inclusion service provided to Homeless households in temporary accommodation has been successful in reducing 18 large debt cases down to 8 in a six month period. While protecting income to the Council, the service also maximised income entitlements for these household directly and it is recommended to extend that service to mainstream tenancies. Modelling suggests that this would be affordable through the Housing Revenue Account as also reported to Council on 4<sup>th</sup> February 2014.

### **Homelessness - Bed and Breakfast**

The under-occupancy charge has had a negative impact on the number of people placed in bed and breakfast due to not having enough one bedroom properties to place clients in, currently there is an average of 87 bed spaces being used per week and this is putting significant pressure on the homelessness budget. Additional budget has been provided in 2014/15 as a

demographic pressure to provide for 82 spaces although proposals are in place to convert Council owned properties currently not in use, which could potentially see the number of bed spaces being used reduced significantly, these proposals will be presented separately to Cabinet in February, 2014.

### **Revenues Staff**

Due to the increase in the level of arrears, this has placed significant pressure on the arrears recovery team, it was anticipated that with the introduction of Universal Credit that this would give scope to reallocate more staff to the arrears team, however as Universal Credit has been delayed staff have been retained within the processing team. It is proposed to extend 1 FTE Arrears Officer fixed term for another year at Grade 5 at a cost £26,125 help deal with this additional pressure as well as provide pro-active work in terms of communications and advice.

The Council is being encouraged to apply for more Discretionary Housing Payment (DHP) subsidy from Scottish Government, to administer this additional funding and also deal with the current increase in the number of DHP applications. It is therefore proposed to extend 1 FTE Fixed Term Revenues Officer at Grade 4 for another year. This will cost £22,383 and will allow resources to be allocated to dealing Welfare Fund applications which are a high pressure area due to growing demand to the detriment of other call sources.

### **3.2 Risk**

There is no change in the financial risks that may impact Midlothian Council as the benefit system is complex and there are financial capability concerns that vulnerable people have in managing money. Consequently, the estimated financial impact of the Under Occupancy Charge and potential Universal Credit introduction has been revised upwards.

As a result, the increasing level of arrears will have an impact on the future years HRA rent and investment strategy. Currently we anticipate to receive approximately £21 million in rental income of which approximately £9 million is funded from DWP, based on the information on results received from pilot area outcomes and taking into account that approximately half of Midlothian Tenants are pensioners, who are excluded from under occupancy charges, we estimate that 25% of this £9 million will be lost, resulting in a loss of income to the HRA of approximately £2 million per year unless further actions are taken to mitigate against these in the lead in period available before Universal Credit is implemented. A separate report is also presented to Council on 4<sup>th</sup> February 2014 informing of these impacts on the Housing Revenue Account.

There is no change in the high level risks associated with Welfare Reform which are being managed through the corporate risk management system. The high level risks are:

- Insufficient support or capacity to support individuals affected by welfare reform.
- Insufficient housing provision to meet changing demand for property, despite allocation policy change and new build provision for smaller properties.



- Indirect impacts of Welfare Reform affect existing service provision (e.g. increased Social Work referrals)
- Addition resource will require to be committed to support longer term changes associated with the introduction of Universal Credit. (Face to face support, direct payments to clients, digital by default application process).
- Significant impact on revenue collection. Universal Credit will include a housing element, to replace Housing Benefit, and shall be paid monthly directly to the tenant, who will then be responsible for paying their own rent.
- Issues for unbanked tenants and claimants, including identification in opening bank accounts, and engaging them may prove more challenging.

### **3.3 Policy**

#### **3.3.1 Strategy**

Local Government, through COSLA, has remained actively engaged in the national consultation and lobbying processes and opportunities in the developing Welfare Reform agenda.

There is no change in the strategic approaches guiding Midlothian Council's response to Welfare Reform, which is to mitigate against the impact of the effects within the capability and resources of the Council and its partners.

- Preventative Approach – While there is an inevitability that some of the responses will be reactive wherever possible opportunities will continue to be sought to take a proactive approach to prevent crisis intervention
- Co-ordinated Service Provision – Opportunities to co-ordinate service provision continue so people can receive information and advice from as wide a range of professionals as possible.
- Build individuals own / community capacity – Consistent with co-production approach work takes a capacity building approach where possible.
- Protecting Financial Position of Midlothian Council – Welfare Reform creates a financial exposure to Midlothian Council. Actions continue to be taken to mitigate this exposure where possible.

#### **3.3.2 Strategic Principles**

The strategic approaches outlined above are in line with the principles of the future model of service delivery.

#### **3.3.3 Consultation**

Consultation continues to be carried out with stakeholders drawn from the Community Planning Partnership, managers within the council, with COSLA, with local and national third sector agencies. Several Welfare Reform events

have been held to allow professionals who are providing services to individuals in Midlothian the opportunity to share information and influence the Welfare Reform responses and mitigation actions. Public engagement has continued since the preparation activities and will be required as revised arrangements are developed to ensure that proposals meet the needs of the people of Midlothian.

### **3.3.4 Equalities**

At an individual level welfare reform impacts many people in the main equalities groups, including those affected by poverty which Midlothian Council recognised as a further protected characteristic grouping. Making additional support available to equalities groups to mitigate the impact of welfare reform is therefore consistent with council policy.

### **3.3.5 Sustainability**

The resource implications listed above focus mainly on the impact on the 2014/15 budget. Delays in the implementation of PIP, Universal Credit make it difficult to fully quantify the impact beyond 2014/15, however the Welfare Reform Working Group will continue to monitor and report to Council accordingly as more information becomes available.

The loss of benefits from the effects of the Welfare Reform Act and the changes in housing benefit will have a negative effect on the local economy. There is a risk that unsustainable demands may be placed on the council in respect to addition costs associated with Welfare Reform and reduced income from the current and proposed benefit changes. The actions outlined in this report seek to mitigate these risks.

The sustainability of the Housing Revenue Account Capital Plan in the long term is at risk if mitigating actions are not undertaken to offset the effects of Welfare Reform on the level of arrears.

## **3.4 IT Issues**

Enhancements to existing systems to support the introduction of the Scottish Welfare Fund and the Under Occupancy Charge were carried out. It is anticipated the online delivery mechanism for Universal Credit will require an increase in publicly accessible ICT to support residents to make claims. As many of the issues related to the implementation of Universal Credit have still to be finalised it is too early to conduct detailed planning for this element.

## **4 Summary**

In reviewing the effects from introduction, concerns remain about the timescale of further Welfare Reform changes, the impact of cuts to the benefit system, to local households and to the Midlothian economy.

- The Under Occupancy Charge was introduced.
- The responsibility for managing the Scottish Welfare Fund (Crisis Grants and Community Care Grants) transferred from

the DWP to local authorities.

- The volume of ESA appeals continues to be a cause for concern and with a continuing impact on Council resources in terms of supporting appeals
- Personal Independence Payments (PIP) to replace Disability Living Allowance (DLA) commenced in June 2013 for new claims and people reaching the end of their fixed term claim or reporting a change in their condition.
- The introduction of Universal Credit nationally is being delayed into 2014 as a result of the outcomes from the pilot areas.
- If mitigating actions undertaken to help offset the increase in the level of arrears are not successful then investment in the HRA Capital is at risk of becoming unaffordable, this would mean either less investment in New Social Housing and existing stock or higher rental increases.

This report provides a review of the issues and effects related to Welfare Reform implementation to date, including an updated estimate of the cost to Midlothian Council. Work continues to mitigate the effects of Welfare Reform and information and advice is available to individuals affected by Welfare Reform.

## **5 Recommendations**

Council is recommended to:

- Note the update on the work done to date related to Welfare Reform
- Note the resource implications and risks outlined in this report
- Approve the temporary accommodation rents and service charge increase for 2014/15 be frozen at 2012/13 levels to mitigate against the risks to the households identified at greatest risk in Midlothian Council temporary accommodation.
- Approve to the extension of 1 FTE Fixed Term Arrears Officer and 1 FTE Fixed Term Revenues Officer for one more year at a cost to the General Fund of £26,125 and £22,383 respectively;
- Approve the funding of 1 Financial Inclusion Officer contracted through Places for People for one year at a cost to the Housing Revenue Account of £42,917.

**Date:** 14 January, 2014

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### **Declaration Box**

**Instructions:** *This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.*

**Title of Report:**

**Meeting Presented to:**

**Author of Report:**

*I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat:-*

- *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- *All risk implications have been addressed.*
- *All policy implications have been addressed.*
- *My Director has endorsed the report for submission to the Council Secretariat.*

*For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.*

*Likewise/*

*Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.*

## Appendix 1.

There are three main elements to the Welfare Reform changes being brought in. Transitions involving the replacement of existing benefits by another benefit; a number of reductions in benefit entitlements; and the localisation of some benefits. The following table outlines the key planned activities.

Area	Tasks being Progressed
Universal Credit	<p>Universal Credit will replace most means tested benefits and the tax credit system aiming to: bring together a range of working- age benefits into a single, streamlined payment. Universal Credit has been designed to encourage people to manage their money differently and take responsibility for more elements of their household expenditure.</p> <p>The timescale for implementation of Universal Credit continues to be uncertain as the expected delivery dates have slipped due to IT problems and a range of other issues.</p>
Benefit Cap	<p>Prior to the introduction of Universal Credit, the Benefit Cap has been applied to the combined income a household receives from Job Seeker's Allowance, Employment and Support Allowance, Housing Benefit, Child Benefit, Child Tax Credit and Carer's Allowance.</p>
Personal Independence Payment (PIP)	<p>PIP will replace Disability Living Allowance (DLA) for eligible working age people aged 16 to 64 years. Access to PIP is through the daily living and/or mobility activities test assessment as claimants have to score a certain number of points on tests of their ability to carry out activities relating to daily life and mobility. From June, 2013 all new claims are for PIP.</p> <p>From October, 2013 a range of DLA claimants are invited to claim for PIP</p> <p>From October, 2015 through to December, 2017 remaining DLA claimants will be invited to make a claim for PIP.</p>
Employment and Support Allowance (ESA)	<p>In 2008, ESA was introduced to replace Incapacity Benefit (IB) as the benefit for people unable to work due to ill health. Since 2008 all new claims and the migration of benefit for existing IB claimants has been taking place.</p> <p>The aim of the reform was to encourage more people who were viewed as unable to work because of ill health/disability to seek work, and to offer more support to those able to work or able to prepare for work. The migration process will</p>

	conclude in March 2014.
Under occupation charge (Bedroom Tax)	<p>The central principle of the under -occupation charge (Bedroom Tax) is that any working age household deemed to be under occupying their home based on the UK Government's size criteria now received Housing Benefit based on the size of the property they "need" rather than the property they occupy.</p> <p>Any household deemed to have more bedrooms than they require loses a proportion of their Housing Benefit for the eligible rent, set initially at 14% for one extra bedroom and 25% for two or more extra bedrooms.</p>
Discretionary Housing Payment (DHP)	DHP applications to the local authority involves submission by the claimant of household income and expenditure information. The discretionary nature of the payment means that tenants whose application has been rejected cannot appeal, but can request a reconsideration. Pressure on the DHP budget is intense as the amount available remains short of what is required to prevent any impact by the under -occupancy charge (Bedroom Tax).
Scottish Welfare Fund (SWF)	Through the SWF the Scottish Government has discharged its responsibility for the design and delivery of local welfare assistance schemes replacing Crisis Loans and Community Care Grants.
Mandatory Reconsideration	From the 28th Oct Mandatory Reconsiderations were introduced to most benefits. This means that people can no longer go directly to appeal instead they need to go through the Reconsideration process. This has the potential to cause confusion it also means that ESA is stopped whilst they are waiting on the outcome.