

## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

1<sup>st</sup> Floor, Caxton House, Tothill Street, London SW1H 9NA

# HB/CTB A16/2010

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	Early IB(IS) Reassessment Trial

### Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the
  - **technical content of this circular**, contact Beverley Winnemore / Jackie Daly  
Email: [HBSDMP.WWEG@DWP.GSI.GOV.UK](mailto:HBSDMP.WWEG@DWP.GSI.GOV.UK)
  - **distribution of this circular**, contact Corporate Document Services Ltd Orderline  
Email: [orderline@cds.co.uk](mailto:orderline@cds.co.uk)

### Crown Copyright 2010

Recipients may freely reproduce this circular.

Contents

para

**Operational procedures and information flows during the IB(IS) Reassessment trial period**

Introduction.....	1
Background –. reassessment of the incapacity benefits.....	2
Period of the full IB(IS) Reassessment exercise .....	4
Purpose of the IB(IS) reassessment trial exercise.....	6
Number of cases with HB/CTB interest .....	8
Length of time to process cases.....	9
Notifications to LAs.....	10
The IB(IS) Reassessment process .....	11
Information flows .....	13
ESA allowed .....	14
ESA disallowed .....	22
Withdrawal from IB(IS) Reassessment exercise .....	28
Appeals .....	30
Appeal valid and ESA not awarded pending appeal outcome .....	31
Appeal valid and ESA assessment phase rate awarded, pending appeal outcome .....	32
Appeal valid and ESA to be awarded when JSA is already in payment.....	34
Appeal valid and entitlement to ESA assessment phase rate exists, where there is another condition of entitlement to another benefit.....	37
Late appeals.....	39
ESA awarded upon appeal.....	40
ESA disallowed decision upheld upon appeal.....	41
NHB(ESA) clerical form .....	Annex A

## **Operational procedures and information flows during the IB(IS) Reassessment trial period**

### **Introduction**

- 1 This circular provides you with details of a trial exercise to review incapacity benefits to see if customers are eligible for Employment and Support Allowance (ESA). The trial affects only eight local authorities (LAs) but this circular has been issued nationally because all authorities need to be aware of this exercise in case a customer moves from a trial area to a different LA.

### **Background – reassessment of the incapacity benefits**

- 2 ESA was introduced in October 2008. It replaced Incapacity Benefit (IB), Severe Disablement Allowance (SDA) and Income Support (IS) paid on the grounds of incapacity, for all new claims. Customers receiving these benefits in October 2008 or those who have made a repeat claim with a link to an earlier claim since this date, have remained on those benefits rather than moving to ESA.
- 3 As explained in HB/CTB circular A14/2010, from October 2010, customers still receiving those benefits will have their awards reassessed to see if they are entitled to ESA. If they are, they may be awarded contributory ESA (ESA(C)), income related ESA (ESA(IR)) or a combination of both. HB/CTB circular A14/2010 provided you with guidance on when HB/CTB cases should be re-assessed and how to apply transitional protection if appropriate.

**Note:** Since publishing HB/CTB circular A14/2010 the IB Migration project has been renamed as the IB(IS) Reassessment project.

### **Period of the full IB(IS) Reassessment exercise**

- 4 The IB(IS) Reassessment exercise is expected to start from 28 February 2011, and will end in March 2014.
- 5 However, from October 2010, on a trial basis in Aberdeen and Burnley Benefit Delivery Centres (BDC), Jobcentre Plus will commence an early IB(IS) Reassessment exercise involving 1,700 cases, with 850 cases allocated to each BDC for assessment.

### **Purpose of the IB(IS) Reassessment trial exercise**

- 6 Jobcentre Plus expects the IB(IS) Reassessment trial to provide early indicators about customer and staff reactions and plan to use this information to inform the national phase. During October 2010, Jobcentre Plus will issue notifications to all of the 1700 customers involved in the trial period.

- 7 This approach will give Jobcentre Plus sufficient time to carry out an evaluation of the process and implement any changes before national role out commences.

### **Number of cases with HB/CTB interest**

- 8 We estimate approximately 600 of the 1700 early trial cases will have HB/CTB interest and will need to be considered for reassessment by LAs during this period. The relevant LAs have been notified and we are working with them.

### **Length of time to process cases**

- 9 Jobcentre Plus has informed us that owing to the severity of some customers' medical conditions they expect some customers to progress through the process more quickly as there won't be a need to carry out the full Work Capability Assessment (WCA). In these circumstances you can expect to receive notifications from Jobcentre Plus from the end of October 2010, informing you that ESA has been awarded. All other customers will follow the IB(IS) Reassessment process, which can take up to 13 weeks to complete.

### **Notifications to LAs**

- 10 In Jobcentre Plus, the early IB(IS) Reassessment trial will not be supported by upgraded IT and the process, including assessment and award, will be wholly clerical. Customers qualifying for ESA during early reassessment will have their claims built on to the IT system at a later date. During the trial you should expect notifications, as described in this circular, to inform you of decisions and the resulting changes to customers' entitlement/s.
- 11 Additional contact with the customer is included within the reassessment process to ensure the customer is told about key decisions and has opportunity to discuss their options with Jobcentre Plus.
- 12 We anticipate the process will help reassure customers and will reduce the need for them to contact the Department, or associated third parties, about what is happening to their benefits.

### **Information flows**

- 13 The following paragraphs explain the information flows that will occur in relation to customers HB/CTB entitlement, throughout the IB(IS) Reassessment trial between
- a Jobcentre Plus and LAs, and
  - b Jobcentre Plus and the customer

## ESA allowed

### Notifications to LAs

- 14 Where a customer satisfies the WCA and ESA is awarded, Jobcentre Plus staff, at the BDC, will call the customer to obtain any additional information required to process ESA. During this call, **if this information isn't already held**, Jobcentre Plus will establish if the customer, or their partner, is receiving, or has made a claim for HB and/or CTB. Even in cases when Jobcentre Plus don't require any additional information to process the ESA claim they will contact the customer to clarify the HB/CTB position.
- 15 The customer's ESA is then processed and the IS or IB claim is marked for closure the day before the new ESA claim is set to commence.
- 16 For cases converting from **Income Support** to ESA, IS case closure will trigger an electronic transfer of data (ETD) which will state:  
  
**'The claimant has been excluded from receiving Income Support.'**
- 17 For cases converting from **Incapacity Benefit** to ESA, there is no functionality to produce ETDs upon IB case closure. As is the case now, when IB ceases, a form should be sent notifying you of this change.
- 18 For the purposes of the early IB(IS) Reassessment trial, the NHB(ESA) clerical form, see **Annex A** of this circular, will be issued in all cases that are successfully reassessed to ESA, notifying you of the changes that will occur as a result of the reassessment exercise. As the early IB(IS) Reassessment trial is purely a process for Jobcentre Plus, you will not receive an ETD notifying you of the commencement of ESA.
- 19 We expect the information provided for LAs on the NHB(ESA) clerical form during the early IB(IS) Reassessment trial to become available electronically, via CIS or ETD, once national rollout commences. The details of the information flows for national rollout will be reported separately in an Operational Guide due for publication in autumn 2010.
- 20 Throughout the early IB(IS) Reassessment trial, CIS will be annotated by Jobcentre Plus with an interest marker to show the start of ESA interest and manual intervention by Jobcentre Plus. This could be due to a normal change of circumstance that is being dealt with manually or because the reassessment process has started for that customer.

### Customer notifications

- 21 The customer will be sent notification of the ESA award, which will include the following paragraphs relating to HB/CTB. This is to remind customers about HB/CTB and when applicable encourage take-up. Customers in receipt of HB/CTB are reminded of their responsibility to inform LAs about **any** changes of circumstance
- For all ESA(C) cases

**‘HOUSING BENEFIT AND COUNCIL TAX BENEFIT**

If you pay rent or council tax you could qualify for Housing Benefit or Council Tax Benefit. Get in touch with your local council as soon as possible. If you already get Housing Benefit or Council Tax Benefit, your local council will want to know you now receive Employment and Support Allowance. You can let them know by showing this letter to them.’

- For ESA(IR) customers, who are not currently receiving HB/CTB:

**‘HOUSING BENEFIT AND COUNCIL TAX BENEFIT**

If you pay rent or council tax you could qualify for Housing Benefit or Council Tax Benefit. Contact your local council for more information about how to claim.’

**ESA disallowed**

- 22 If the customer fails the WCA, Jobcentre Plus will call the customer to inform them of the decision and advise about their options, including claiming Jobseeker’s Allowance (JSA) and their right of appeal. Following this call, Jobcentre Plus will send a written notice to the customer, which will include references to the possible effect on their HB/CTB entitlement:

***‘Can I get help to pay my rent or council tax?’***

If you need help to pay your rent or council tax you may get Housing Benefit or Council Tax Benefit. Contact your local council for more information about how to claim.’

- 23 You will be told of ESA disallowed decisions either
- via the IS cessation ETD, which will contain the following text:
- ‘The claimant has been excluded from receiving Income Support.’**
- or clerically, for customers previously receiving IB only
- 24 For customers wishing to claim JSA, support will be provided to ensure a smooth transition to this benefit. The customer’s claim details for JSA will be taken and processed as part of the transition. As a result an ETD will be generated confirming entitlement to JSA.
- 25 In these circumstances you can expect to get an IS closure ETD, followed in quick succession by a JSA start ETD.
- 26 For customers migrating directly from IB only to JSA, you should receive a notification reporting the closure of the IB claim and a JSA ETD reporting the start of JSA.
- 27 For disallowed cases, CIS will continue to display the same information it does now when an IS or IB case is closed, with the end date and closure reason displayed.

## Withdrawal from IB(IS) Reassessment exercise

- 28 A customer may return to work or opt out of the IB(IS) Reassessment exercise at any time. You will be notified of this
- for IS customers via the IS cessation ETD stating **'The claimant has been excluded from receiving Income Support'**
  - for IB customers by notification sent to inform you that IB has ended
- 29 CIS however will, as it does now, display **'Withdrawal of main claim'** for IB customers and **'Ceased claiming'** for IS customers. For the purposes of the IB(IS) Reassessment exercise you will always see **'Withdrawal of main claim'** as all customers will have been in receipt of IB.

## Appeals

- 30 When Jobcentre Plus calls the customer to inform them that they have been disallowed ESA, the customer is told about their right of appeal. Notice of appeal must be provided in writing by the customer before the request becomes legal. Once Jobcentre Plus has received the appeal letter they will inform you using the NHB(ESA) clerical form.

### Appeal valid and ESA not awarded, pending appeal outcome

- 31 Customers who have been disallowed ESA because they Failed to Attend (FTA) or Failed to Participate (FTP) in a WCA, can appeal against their disallowance, but are not entitled to ESA (at the assessment phase rate) while the appeal process is ongoing. The NHB(ESA) clerical form will be sent to inform you that the customer has lodged an appeal.

### Appeal valid and ESA assessment phase rate awarded, pending appeal outcome

- 32 Customers who have been disallowed ESA because they have no Limited Capability for Work (LCW) and do not fit the eligibility criteria will, upon appeal, receive ESA at the assessment phase rate until the appeal is heard and a decision made. An NHB(ESA) clerical form will be sent to inform you that the customer has lodged an appeal.
- 33 CIS will continue to display an interest marker indicating the start of ESA interest and manual intervention by Jobcentre Plus.

### Appeal valid and ESA to be awarded when JSA is already in payment

- 34 The customer can continue to receive JSA if they are appealing against a WCA outcome or can claim ESA (assessment phase rate) if they can provide medical evidence.
- 35 If a customer relinquishes their JSA award they can only be awarded ESA from the date JSA ends. This is because a person cannot be entitled to ESA if they are entitled to JSA.

- 36 In this instance the customer will move onto the ESA assessment rate and you will receive a JSA stop ETD and an NHB(ESA) clerical form notifying you that ESA is in payment at the assessment rate, pending appeal.

**Appeal valid and entitlement to ESA assessment phase rate exists, where there is another condition of entitlement to another benefit**

- 37 ESA assessment rate is awarded from the day after a customer's entitlement to IS ends. However, where there is another condition of entitlement to IS (for reasons other than incapacity) or another benefit exceeds the ESA assessment rate, the other benefit will remain in payment as it is more beneficial to the customer.
- 38 An NHB(ESA) clerical form will be sent to you to notify that an appeal has been lodged and provide details of the circumstances supporting the customer's ongoing entitlement to IS.

**Late appeals**

- 39 If an appeal is received after you have been notified that a customer's entitlement to IB, and when applicable IS, has ceased. Jobcentre Plus will issue you with an NHB(ESA) clerical form informing you that an appeal has been lodged.


**ESA awarded upon appeal**

- 40 The customer will be notified of the outcome of the appeal and will receive a breakdown of their entitlement to ESA. Where ESA assessment rate has been in payment this will be upgraded to main phase ESA from the appropriate effective date – see HB/CTB circular A14/2010 for guidance. Jobcentre Plus will inform you of this change using the NHB(ESA) clerical form.

**ESA disallowed decision upheld upon appeal**

- 41 The customer will be notified of the outcome of the appeal and if the ESA assessment rate has been in payment, they will be notified of the cessation of this award.
- 42 Jobcentre Plus will inform you of the outcome of the appeal using the NHB(ESA) clerical form, including the cessation date of the award.

NHB(ESA) clerical form



Part of the Department  
for Work and Pensions

# Employment and Support Allowance

Office stamp

---

From:

To:

**Employment and Support Allowance decision notice**

Customer's surname	Partner's surname
Customer's other names	Partner's other names
Customer's date of birth	Partner's date of birth
/ /	/ /
Current address	Previous address
Postcode	Postcode

---

**Claim details**

IB migration

ESA(C) awarded from	ESA(IR) awarded from
/ /	/ /
Total award	No entitlement to ESA(C) from
£	/ /
Basic rate	No entitlement to ESA(IR) from
£	/ /
Component rate	Reason for termination or non-award
£	
Transitional addition	
£	

---

**Change of circumstances**

IB migration

Benefit changed from	Basic rate
/ /	£
Details of change	Component rate
	£
Total award (ESA(C))	Transitional additional amount
£	£

---

**Non-dependant details**

Surname	First name	Date of birth
		/ /
		/ /

NHB(ESA) clerical 06/10

NHB\_ESA\_062010\_002\_001



# Employment and Support Allowance

Office stamp

Part of the Department for Work and Pensions

From:	To:
<input type="text"/>	<input type="text"/>

## Employment and Support Allowance decision notice

Customer's surname	Partner's surname
<input type="text"/>	<input type="text"/>
Customer's other names	Partner's other names
<input type="text"/>	<input type="text"/>
Customer's date of birth	Partner's date of birth
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Current address	Previous address
<input type="text"/>	<input type="text"/>
Postcode	Postcode

### Claim details

<input type="checkbox"/> IB migration	
ESA(C) awarded from	ESA(IR) awarded from
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Total award	No entitlement to ESA(C) from
£ <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Basic rate	No entitlement to ESA(IR) from
£ <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Component rate	Reason for termination or non-award
£ <input type="text"/>	<input type="text"/>
Transitional addition	
£ <input type="text"/>	

### Change of circumstances

<input type="checkbox"/> IB migration	
Benefit changed from	Basic rate
<input type="text"/> / <input type="text"/> / <input type="text"/>	£ <input type="text"/>
Details of change	Component rate
<input type="text"/>	£ <input type="text"/>
Total award (ESA(C))	Transitional additional amount
£ <input type="text"/>	£ <input type="text"/>

### Non-dependant details

Surname	First name	Date of birth
<input type="text"/>	<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>

NHB(ESA) clerical 06/10 tear off