

Employment and Support Allowance

In July 2008 the UK Government set out to reform the benefits system. The first major change to the benefits system came into effect in October 2008 when the Employment and Support Allowance (ESA) replaced Incapacity Benefit and Income Support for those who are sick and/or disabled. New applicants must now apply for ESA or Job Seekers Allowance (JSA), while existing claimants will be rolled onto the new program by 2013.

Citizens advice bureau (CAB) clients across Scotland who have applied for ESA benefits have found the new changes to the program to be problematic and challenging. Some of the issues include:

- **In receipt of the 'wrong' benefit:** Clients being awarded a benefit for which they didn't initially apply
- **Jobcentre Plus administration and ESA procedures** creating further financial difficulties and hardship for clients
- **Independent Medical Assessments** are refusing claims even when GPs have confirmed clients as being physically or mentally incapable of pursuing employment.

In receipt of the 'wrong' benefit

The processing of Incapacity Benefit and Income Support applications submitted just before the cut-off date has been complicated, resulting in claimants being awarded the 'wrong' benefit leading to financial hardship, bank charges and debt.

- Clients who applied for Incapacity Benefit before the new changes came into effect were incorrectly awarded ESA, resulting in delays in receiving their benefit monies
- Others received smaller benefit payments during the assessment phase than that to which they were entitled under Incapacity Benefit
- Some clients received both ESA and Incapacity Benefit without realising it, resulting in overpayments.

The new ESA benefit has created barriers to entitlement, causing unnecessary financial distress and emotional strain to Scottish CAB clients who are sick and disabled

|| *An East of Scotland CAB reports of a client with an acute mental illness who ended up having to submit three claims for ESA as the first two had been lost by Jobcentre Plus. The client's third claim was unnecessarily forwarded between two different Jobcentre Plus offices leaving the client anxious and suicidal.*

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1939-2009: 70 years
of Scottish CAB advice

Jobcentre Plus administration and ESA procedures

Application and entitlement rules can be unclear and the work undertaken or advice provided by some Jobcentre Plus staff can be detrimental to a client's claim and financial well being.

- Clients, including those with mental health problems, on chasing up their ESA applications being informed that their claim is delayed or that the application cannot be found. This situation has led to further ill health, anxiety, stress and a continued dependency on crisis loans
- Clients being refused ESA as a result of being assessed only under the contributions-based component. Unless the applicant explicitly states that they wish to be considered both for income-based and contributions-based benefits – and many clients are unaware of this requirement – their assessment is made on a contributions-based component only. This situation has left clients financially distressed as they have had to wait till the process is restarted before receiving any payments
- Clients who have been denied ESA after being determined to be fit for work by the medical assessor having their request for JSA also rejected because of their disability, and inability to return to work.

Independent Medical Assessments

In order to receive ESA, applicants must first undergo a points based Work Capability Assessment, where an independent medical assessor confirms their eligibility for ESA. The medical assessment component of benefit claims has been outsourced by the Department of Works and Pensions (DWP) to ATOS Healthcare. This component has been most problematic for CAB clients as a large number of applications have been rejected based on these assessments, even where General Practitioners (GPs) have advised otherwise. Numerous ESA decisions have subsequently been appealed. Anecdotally, a Scottish CAB reports that appeals make up 80% of their ESA work load.

- Clients who are physically incapable of returning to work are being assessed by the independent medical practitioner as physically fit to do so
- Despite a client's GP issuing sick lines, benefits can be decreased, rejected or withdrawn because the medical assessor has not allocated the number of points needed for the client to maintain their benefit entitlement.

Citizen Advice Scotland's proposals for change

The Employment Support Allowance is a benefit entitlement for those who are ill and/or disabled. The Government needs to ensure that those who are vulnerable and unable to work receive appropriate and timely assistance.

- Clear and consistent guidelines and procedures on processing ESA applications for Jobcentre Plus staff
- The assessments made by the medical assessors should be overseen and evaluated by the DWP ensuring consistency between GP sick lines and independent medical assessments
- Access to crisis loans should be widened for those who find themselves in a situation where their benefit payments have been delayed through no fault of their own and who may have exhausted the limit for the number of times this loan can be accessed
- There needs to be a guaranteed same day service for the payment of crisis loan applications.

Case evidence

|| *An East of Scotland client applied for Incapacity Benefit five days before the ESA benefit came into effect. The client was initially advised that he would receive ESA, but was later told that he should have been considered for Incapacity Benefit instead. He finally received a Giro for his benefit payment on December 31st, at 4pm. As it was too late to go to a bank to deposit this money, and as bill payments were direct debited from his account on the first of every month, he incurred £400 in bank charges due to overdrafts on the 1st of January.*

|| *A West of Scotland CAB reports of a client whose ESA benefit stopped after he received low points from the DWP's medical assessor. The client called Jobcentre Plus to request JSA and was advised that he cannot receive JSA because he is unfit to work. The client is distressed by the situation.*