

Case Study 1 – Conditionality

Tom suffers from MS, which is reasonably controlled with medication, but sometimes it will flare up causing him pain and to become debilitated. He used to work in an office, but became unemployed and has been claiming Universal Credit for some time. He has been assessed under the Work Capability Assessment of ESA as having limited capability for work. He recently attended a work focused interview and was told that he must attend a two month computer course to improve his computer skills. He feels that this is inappropriate for him, as he already is fully skilled using computers.

The options available to him are either to attend the course (which he feels is inappropriate for his needs) or not to attend and face the prospect of a sanction being imposed on him. The sanction would be a low level sanction and he would continue to be sanctioned until he complies with the requirement. He can appeal the Department's decision to sanction him but he would continue to be sanctioned while waiting for the appeal (and mandatory revision process) to be resolved.

Context

Low level sanctions are applied where there is a failure to undertake a specific work search requirement, work preparation requirement or attend a compliance interview. The sanction will normally be loss of the standard personal allowance (or 50% of a joint couple allowance) until the requirement is met plus a further fixed period of 7 days for a first failure, 14 days for a second level failure within a year, and 28 days for a subsequent failure within a further year.

It is intended that hardship payments should become recoverable. They will only be paid during a sanction where a claimant is unable to meet immediate, basic and essential needs for accommodation, heating, food and hygiene. In addition, claimants must also have made every effort to access alternative sources of support and to cease to incur other expenditure. They will also have to reapply for hardship payments every month.

As currently, there will be no right of appeal to a tribunal against the work requirement direction to attend the course. Disputes will have to be addressed with the claimant's personal adviser or their manager. There will be a right of appeal against a Department decision to impose a sanction, including whether there was 'good reason' for not complying with a requirement, but claimants will have to apply for an internal revision first.

Case Study 2 - Monthly awards

Examples

Monthly assessments

Megan has a child two days before the end of her assessment period. The child allowance will be included in UC award for the whole month. As a result she gains considerably.

Ian's daughter leaves the family home 29 days into his assessment period. He will lose the child allowance for the whole month. If his daughter had departed one day later then Ian would have retained the full monthly allowance for her.

Susan moves into more expensive accommodation and is entitled to more housing costs just before the end of her assessment period. If she notifies the change immediately, she will receive the extra payment for the whole of the month. If she fails to notify the change until after the end of the assessment period (i.e a few days later), she will only receive the increased payment from the start of the following assessment period, unless she can establish that there were grounds for late notification.

Context

Universal Credit will be assessed on a monthly basis, with changes of circumstances normally taking effect from the first day of the period in which they occur. It means that claimants will have to wait up to a month for an award to be changed to reflect a change in circumstance, but also that any change is treated as occurring from the beginning of the month, regardless of when it actually occurred. This whole month approach will benefit claimants where the change increases entitlement, but lead to rough justice and losses for claimants whose entitlement reduces or ends.

It also opens up the prospect of claimants and advisers planning the most advantageous time to effect changes in order to be maximise entitlement. Where a change of circumstances is advantageous, it must be notified before the end of the assessment period in which it happens for it to be treated as occurring at the start of assessment period. If it is notified late, it will only take effect from the start of the assessment period in which it is notified, unless the claimant can establish grounds for late notification.