PET(3) 15-10 Paper to Note - JobCentre Plus additional information

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cc June Price Rowan Foster

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Dear Andrew

PETITIONS COMMITTEE

Attached is the transcript from the Petitions Committee. There are a number of amendments suggested.

In addition there is a point of clarity which might be helpful in relation to para 130

Young people on JSA cannot do full-time training but if they are judged to be vulnerable (i.e. estranged from family - arguably a young homeless person would fit within this category) then they can claim Income Support and do full time education whilst also having access to Housing Benefit and other 'passported' Benefits. We did raise this in our written evidence but I thought it worth reiterating to the Committee secretariat. Details are as follows:

A young person who has to live away from home because of family disruption* but who wants to go back to or carry on in education can continue to study and receive Benefits.

Since April 2009, they have been able to claim Income Support and Housing Benefit between their 16th and 21st birthdays so long as they meet the normal rules for getting those Benefits (savings, residence in UK etc). The course they do







has to be full-time (i.e. 12 hours or more per week) and non-advanced. That means A level/NVQ Level 3 (and equivalents) standard or below. This route to Income Support is often called 'estrangement'.

This means that a young person who, <u>at their 19th birthday</u>, is in (or is enrolled on) full-time non-advanced education and is able to claim Income Support (and, if appropriate, Housing Benefit) because they are estranged from their family or carer, will be able to continue to claim until the end of their course or their 21st birthday, whichever is earlier.

This is a measure which will give vulnerable young people who are motivated to return to education the chance to do so.

* Young people can receive IS if, out of necessity, they live away from their parents or any person acting in their place because:

they are estranged (don't get on with their parents or carer and can no longer live with them); or

they have no living parents or anyone acting as parents; or

they are in physical or moral danger, or

there is a serious risk to their physical or mental health.

Finally, I also promised to confirm if there was a specific amount in the Job seekers Allowance to account for transport costs. I have received the following advice from Policy colleagues: -

Benefit rates

There is no actual formula when calculating someone's Benefit entitlement, instead income-related Benefits such as Jobseekers Allowance (JSA) and Income Support (IS) are made up of main components, the rates of which are fixed each April, and are generally up-rated annually in line with inflation.

These components consist of personal allowances, paid according to age and family status and flat rate premiums for groups recognised as having special needs, such as disabled and elderly people and families. This structure enables the Government to focus help most effectively on those groups who face the greatest pressure.

These are weekly rates of Benefit, and from April this year the personal allowance rate for a couple, where both are over 18 years old is £102.75. This is the minimum amount of Benefit the law states you need to live on to cover general day to day general living expenses. There is no breakdown of this figure as the rates are not based on a basket of goods and do not include separate amounts for specific items of expenditure, such as food or fuel charges. The Government firmly believes that customers should be free to spend their Benefit as they see fit, in the light of their individual needs and preferences, rather than have set patterns of expenditure imposed on them.

Travel Costs

The rates of JSA take into account the expectation that a customer will incur certain travel costs when attending their Jobcentre for their normal fortnightly jobsearch review, interviews with Personal Advisors at the pre-defined points such as the 13 week review and travel to job interviews within their local area. Where Jobcentre Plus requires a customer to attend the jobcentre, or other such place, out of their normal cycle we will normally reimburse their travel costs. Also, when a jobseeker is attending a job interview outside the local area we will also help them with the travel costs.

When a jobseeker is required to attend a training provision as part of the JSA regime they will be receive a Training Allowance equivalent to the rate of JSA they had been on. In addition to this, depending on the provision they will receive an additional Training Premium of between £10 and £15.38 per week. This premium is paid over and above their rate of Training Allowance to help meet any extra expenses that they may incur, such as travel costs. It is considered reasonable, therefore, that some or all of the associated travel costs are borne by the customer.

Whilst they are participating on the provision and in receipt of a Training Allowance and Premium, customers are expected to make a contribution towards travel costs, which for most Schemes, including Flexible New Deal, is the first £4. There are exceptions to this for particular Schemes, such as the Skill Build programme in Wales, which is funded by the Welsh National Assembly, where the customer has to pay the first £5 of travel costs and Training for Work in Scotland where it is £3.

Customers who attend provision but remain on their existing Benefit such as Income Support will have all of their travel expenses reimbursed; this is because they receive no Training Premium.

I hope this information is useful

Regards Rude Badman

Linda Badman

Customer Services Director Wales