

Introduction

1. From April 2009, Working Age benefits will be paid fortnightly in arrears and on common pay week-ending days linked to a customer's National Insurance number. Customers will still be able to request weekly arrears payments. These should only be granted in exceptional circumstances and on a temporary basis.

Background

2. Historically it has been customary to pay some benefits on a weekly basis and customers will be familiar with this. From April 2009 this will change for the vast majority of Working Age benefits administered by Jobcentre Plus. Paying fortnightly in arrears and on a pay week-ending day established by their National Insurance number will give customers more personal responsibility for their finances and help ease the movement between benefits. The changes will also reduce transaction costs and be easier to administer, with fewer errors made.

Changes from April 2009

3. Social Security Regulations will change to reflect the new payment regime, but they will still allow provision for weekly (in arrears) payments. When colleagues in Jobcentre Plus consider a customer's request for weekly payments, it will be important to limit this facility to cases where exceptional circumstances warrant a temporary relaxation of the fortnightly payment rules.

Points to consider with the customer

4. If a customer requests weekly payments, all relevant information and appropriate supporting evidence (including DWP records) should be gathered. The following should be addressed with the customer:
- Why the customer finds fortnightly payments unmanageable
 - Fortnightly payments are the norm and only in exceptional cases will weekly payments be agreed
 - The method of payment should be considered. Where required the customer should be encouraged to apply for a direct payment such as a Bank Account, giving the customer the flexibility to draw their benefit as required
 - Weekly payments are an exception and a temporary arrangement, if awarded, a review date will be set

- The customer will have to manage their finances at the point when they make the movement to fortnightly payments and the customer needs to plan for this now
- Where and what help is available to the customer, to manage themselves out of this temporary situation
- Authorisation of weekly payments should be made by a colleague (ie Band C or Band D based in a benefit delivery centre (BDC) but not the information gatherer)
- The outcome can be reviewed by the same/different colleague, the colleague must act reasonably on behalf of the Secretary of State
- Being paid weekly over Bank Holiday periods can result in your payment being made late. It takes three to four days for payments to clear the banking system and over Bank Holiday periods its sometimes not possible to make two payments within seven days.

Consideration criteria

5. To assist operational colleagues, criteria have been developed to help decide on whether weekly payments are justified. Common sense and judgement should always be used when a customer requests a weekly payment. Every case should be considered on its merits, with due regard to a customer's individual circumstances. **The facility to make weekly payments is only for use in exceptional circumstances.** As a guide staff should consider whether the customer:

- Has, in the main, instigated the discussion around weekly pay;
- Has made an application for a direct payment/bank account. If not they should be encouraged to do so;
- Has significant debt problems and repayments must be met on a weekly basis (this would not include deductions made at source from benefit, such as Third Party Deductions). For example customers may have had debt counselling and be able to provide some evidence such as letters or financial forecast statements to support their request. Being in debt generally, ie just having a loan, credit card debt, overdraft etc, is **not** sufficient to meet this criterion;
- Is the victim of domestic or other violence, has had to flee their home with little warning or is otherwise in extreme circumstances and needs a period to re-establish their financial and wider situation;
- Finds managing their finances on more than a weekly budget difficult due to mental health issues or severe learning difficulties and would benefit from a period of weekly payments;
- Has a recognised terminal illness;
- Has a unique set of circumstances which warrant the granting of weekly payments for a temporary period.

6. A note should be made on the IT benefit system giving the outcome of the discussion and the reason for the outcome.

Review point (up to a maximum of 26 weeks)

7. With the exception of terminal illness, it must be made clear to the customer that receiving their payments on a weekly basis is a temporary arrangement and can be granted for periods of **up to 26 weeks**. For periods less than 26 weeks, a manual Case Control should be set and the timescale decided on an individual basis. When a 26 weeks review date is reached a Work Available Report will be produced and the case should be reviewed by the BDC.

8. The expectation should be that the customer converts to fortnightly payments after 26 weeks so that at the end of the two years the vast majority of customers are on fortnightly payments. At the review point, if the customer feels their circumstances still require weekly payments, they should provide further evidence to support this. A BDC based Band C may consider a short extension to allow the customer to prepare for the transition to fortnightly payment. In **exceptional cases** reviewers may feel they can extend weekly payments for a further period up to 26 weeks. In these circumstances a BDC based Band D officer, or a more senior officer, should reach the outcome and the IT benefit system must be annotated accordingly. Reviews will continue to be necessary at 26 weekly intervals until the customer is converted to fortnightly payments.

9. In **very exceptional cases** there may be a situation where a BDC based Band D or a more senior officer will be able to waive the need for further reviews with the customer, for example where there is strong evidence that the customer is a vulnerable person, who will continue to need and be granted weekly payments and there is little possibility of their circumstances changing in the foreseeable future. Consultation with the customer is not essential once a waiver has been issued.

10. Customer's in receipt of weekly payments who subsequently move between Working Age benefits should be reviewed at the new claim stage.

Weekly payments - guideline

11. As described above, weekly payments are maintained as a facility for customers with a genuine need and in many cases will only be required on a temporary basis. It is anticipated that the temporary situation will not last longer than two years and that most customers should have been helped move towards fortnightly payments within this time span. It is essential that the vast majority of customers ie around 95 % or more, nationally, are paid fortnightly in arrears to minimise transaction costs and achieve the policy intent.

12. Periodic reviews of the volumes of weekly payments will be carried out at a national level as a check on the levels of weekly payments being authorised across the different benefits. As a guide this will be no more than 5 % (nationally) of customers in receipt of weekly benefit payments to ensure administration costs are kept to a minimum.

[Weekly Payment Approach – Process Map](#)