Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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Where to get benefit and debt advice in Newcastle

The latest version of **Where to get benefit and debt advice in Newcastle**, can be found on the Newcastle City Council website page: <u>Benefit advice services in</u> <u>Newcastle and benefit offices</u> includes details on the Welfare Rights Service's Public advice line.

Professionals and volunteers working with Newcastle's residents can get phone advice from the Council's Welfare Rights' consultancy line.

Introduction to benefits training – live via Teams

This session gives a basic overview of the benefits system and rules, who can claim what, avoiding benefit problems, practical information about where **you** and residents can get further information, advice and support.

This 'live' session via Teams allows for questions and should last no longer than two and a half hours.

Tue 13 September 2022. 2-4.30pm Tue 6 December 2022. 2-4.30pm Tue 14 March 2023. 2-4.30pm

To sign up for the training go to 'training' on the page: <u>Information for professionals</u> and volunteers - financial inclusion

More details from <u>clive.davis@newcastle.gov.uk</u> your friendly trainer!

Cost of living crisis

Government announcements

Several announcements were made by the Government in the <u>Spring Statement</u> to help people with the cost of living crisis, but following criticisms and pressure, <u>announced further help</u> on 26 May 2022, some of which extended those announced in the Spring Statement. Here's a summary:

Three cost of living payments:

There will be a £650 one-off **Cost of Living Payment** for households on *some* means tested benefits (but not Housing Benefit or Council Tax Support) paid in two instalments – the first from July (£326) and the second in the autumn (£324). <u>More details</u> from gov.uk. Claimants must be in receipt of, or have begun an eventually successful claim for, one of the listed benefits as of 25th May 2022.

Those receiving a disability benefit such as Personal Independence Payment or War Pensions Mobility Supplement will receive a one-off **Disability Cost of Living Payment** of £150 in September. This payment can be on top of the £650 payment for those also on means tested payments. <u>More details</u> from gov.uk. Claimants must be in receipt of, or have begun an eventually successful claim for, one of the listed benefits as of 25th May 2022.

Pensioner households across the UK who receive the Winter Fuel Payment will get a one-off £300 **Pensioner Cost of Living Payment**. It will be paid as a top up of their

Winter Fuel Payment in November or December 2022. More details from gov.uk.

None of the three cost of living payments should impact on any existing benefits.

Other help:

The Government is providing an extra £500 million to councils to extend the existing **Household Support Fund** from this October to March 2023. <u>More details</u> on the present local scheme on Newcastle City Council's webpage, which will be updated with the extended scheme details as soon as they are agreed.

The **Energy Bills Support Scheme** has doubled the discount from £200 to £400 and removed the loan element announced in the Spring Statement. The plan is that "Energy suppliers will deliver this support to households with a domestic electricity meter over six months from October. Direct debit and credit customers will have the money credited to their account, while customers with pre-payment meters will have the money applied to their meter or paid via a voucher." This payment does not depend on getting a social security benefit. <u>More details</u> from gov.uk and guidance <u>ADM memo 4/22</u> from the DWP.

In addition, Rishi Sunak has said: "...that **next year**, [April 2023] subject to the review by the Secretary of State for Work and Pensions, benefits **will be uprated by this September's consumer prices index**, which on the current forecast **is likely to be significantly higher than the forecast inflation rate for next year**. Similarly, the **triple lock** will apply to the state pension." <u>Answer in Parliament</u> (c450).

The above announcements are in addition to the **£150 non-repayable Council Tax Rebate** for households in England in council tax bands A to D. More details from the <u>Government</u> and <u>Newcastle City Council</u> webpage.

More information

Cost of Living Support – Get government support to help with the cost of living

Cost of living support factsheet: 26 May 2022

Cost of Living Payments – Government guidance

On 20 June, a DWP minister has said that <u>'The Cost of Living Payment will be tax-</u> free, will not count towards the benefit cap, and will not have any impact on existing <u>benefit awards</u>. Further information on these payments will be discussed in Parliament as part of the legislative process to ensure their delivery.'

See draft <u>legislation</u> aiming to bring in the £650 Cost of Living Payments and the £150 Disability Cost of Living Payment, with an explanation from the <u>House of Commons</u> <u>library</u>.

<u>MoneyHelper</u> have launched new <u>find you way forward</u> guidance to help people manage their money in uncertain times

Support with the cost of living crisis in Newcastle

We have produced a <u>Cost of Living Crisis - Paying Your Bills and Managing Debts</u> <u>leaflet</u> for those affected by the cost of living crisis and an <u>information sheet</u> on how to manage if you are struggling with money. Both are on our **Debt and money** page

We are building a 'landing page' on the City Council website where the information and support on the cost of living crisis can be found.

Cost of living crisis briefing sessions for professionals – sign up!

We have started running **short briefing sessions** to help professionals support the people they work with. Get more details and sign up via <u>Information for professionals</u> and volunteers - financial inclusion

Cost of living crisis analysis

Lag in benefit uprating this year: Real benefit rates 6-7% (£12bn) <u>lower</u> than prepandemic. <u>Welfare Trends Report - May 2022</u>

With inflation expected to rise to 10%, the 3.1% April 2022 benefit increases means a **'real term cut'** of over £10 billion say the <u>Resolution Foundation</u>

Inflation - big real terms cuts to the living standards of many of the poorest households. "We estimate that the poorest 10% of households faced an inflation rate of 10.9%. State benefits only increased by 3.1% in April. This means big real terms cuts to the living standards of many of the poorest households." <u>Inflation hits 9% with poorest households facing even higher rates - Institute For Fiscal Studies - IFS</u>

Housing and housing support

On 9 June the Government announced various plans:

- Right to buy housing association homes
- Allowing people to put their housing benefits to towards a mortgage rather than going to private landlords or housing associations
- Reduce the waiting period for support for mortgage interest from 9 to 3 months
- Disregard Lifetime ISA savings from Universal Credit capital rules

More details from <u>Right to buy extension to make home ownership possible for</u> <u>millions more people</u> government press release and the <u>Prime Minister's Housing</u> <u>Speech</u>

On the 16 June, the Department for Levelling Up, Housing and Communities (DLUCH) has published <u>A Fairer Private Rented Sector</u> and <u>A New Deal for Renting:</u> <u>Government Response</u>. These documents outline a series of changes to the private rental sector in England. See Inside housing news: <u>Plans for a new ombudsman and</u> <u>'no DSS' ban included in private rent white paper</u>

Increase in sanctions

If you fail to comply with a work related requirement, your benefit like Universal Credit, can be reduced – called a sanction. Dr David Webster says "The rapid increase in new Universal Credit sanctions which started last June has continued, with the number reaching 38,244 in January 2022. This would equate to an annual rate of 450,000."

Benefit sanctions statistics to January 2022 (experimental) from gov.uk and briefings-

Fit note change

From 1 July 2022, more NHS healthcare professionals (e.g. nurses, OT's, pharmacists, physiotherapists) will be able to legally certify fit notes which the DWP says aims to help ease the pressure on NHS Doctors and GPs

More details in the legislation and press release

Retrospective Child Tax Credits for newly recognised refugees

Following a favourable court decision, CPAG say "Those providing advice to newly recognised refugees will need to calculate their client's potential retrospective entitlement to CTC to assess if they can benefit from the Court of Appeal's judgment."

More details: Retrospective child tax credits for newly recognised refugees | CPAG

Charity supporting migrants and BAME Britons

... to access employment justice and improve their professional mobility

Much of the <u>Work Rights Centre</u>'s work on welfare benefits focuses on eastern European migrants with pre-settled status who have struggled with applications for Universal Credit, as well as unexplained rejections and suspensions.

"To counter the exclusion of people with pre-settled status from benefits, Work Rights Centre have recently developed a <u>universal credit eligibility quiz.</u> ... (which) turns the convoluted right to reside criteria applied to claimants with pre-settled status into a tool that is accessible to all, on any device. The quiz is free to use, completely confidential, and available in six languages."

Universal Credit – Newcastle prepares!

In the last Benefit Bulletin we provided a lot of detail on the Government's plans to 'move' people from the 'legacy benefits' benefits that Universal Credit is replacing – to Universal Credit.

All that information is still accurate and up to date and we advise you to read it.

There are about 13,000 households in Newcastle still on legacy benefits.

We still don't know when the Government will choose to tell Newcastle residents on 'legacy benefits' that they have to claim Universal Credit. Councils and others are asking the DWP to provide advance notice to help to prepare support.

However, we are not waiting for managed migration, we want to make sure those on 'legacy benefits' do the right thing now, which can include claiming Universal Credit because they will be better off – and can manage the online and other aspects of Universal Credit. It can also mean remaining on 'legacy benefits' if possible because they are higher than Universal Credit. With this in mind we have:

• Provided a table which shows when (before 'managed migration') those on 'legacy benefits' have to claim Universal Credit and when they do not. See the table on on

our Universal Credit webpage

- Produced a special webpage which specifically concentrates on <u>the move to</u> <u>Universal Credit</u>
- Written a 'toolkit' and developed a briefing session for advisers, helping them to advise residents whether they would be better or worse off on Universal Credit. The toolkit is available under 'would I be better off on Universal Credit' on <u>the move</u> to Universal Credit
- Started to write communications for residents about this potential 'choice' and where they can get support from, in addition to existing information

More plans on managed migration

The Government expects the roll out of Universal Credit to be completed by March 2025, starting the managed migration process on a small scale from May 2022 in Medway and Bolton, where 500 are being written to telling them they should claim Universal Credit and their legacy benefits will come to an end after some months. The normal three months is being extended by another month in these early stages. Apparently, the numbers contacted will remain small in 2022 but will increase after that.

More details from Government:

Managed move of claimants to Universal Credit set to restart

Policy paper: Completing the move to Universal Credit

New webpage: <u>Tax credits and some benefits are ending: claim Universal Credit</u> which includes Universal Credit Migration Notice helpline Telephone: 0800 169 0328, Relay UK etc.

Improving the treatment of disabled benefit claimants

The Equality and Human Rights Commission is drawing up a legally-binding agreement with the Department for Work and Pensions to improve its treatment of disabled benefit claimants. Further information from <u>EHRC taking action to improve</u> the treatment of disabled benefit claimants

New Disability Living Allowance claim for children

See Disability Living Allowance (DLA) for children: How to claim

Personal Independence Payment (PIP) updated guidance

Recent updates to DWP guidance that might be useful to know about:

Risk and safety

"When applying for PIP, the DWP considers your ability to wash and bathe. Following a tribunal ruling, from 21 August 2020, there has been a change in how we consider whether someone can wash or bathe safely, as part of the PIP assessment.

If a deaf or hearing impaired claimant is not able to hear a standard fire alarm while washing or bathing, although the risk from a fire is low, we now consider whether a visual alarm (an aid or appliance) is needed, or supervision if a visual alarm would not

be appropriate, in order to wash or bathe safely."

Risk and safety: changes to PIP law from 21 August 2020

Social support

"When applying for PIP, the DWP considers your ability to engage with other people face to face.

From 6 April 2016 there was a change in how we consider the need for social support, when engaging with other people face to face, as part of the PIP assessment. If someone needs 'prompting', by way of reminding, encouraging or explaining, from a person trained or experienced in assisting people in social situations, we now consider whether this is 'social support'.

The change also clarifies that social support is an ongoing need to help engage with other people. It does not need to be during or immediately before the activity."

Social support: changes to PIP law from 6 April 2016

For more advice and support about PIP see the 'Guide to PIP, including how to complete the self assessment form' on our <u>Benefit Information</u> webpage

New DWP PIP SMS messages

The Department for Work and Pensions (DWP) has launched two new SMS messages 'to help claimants understand where they are in the customer journey'

"AR1 / AR1 UI received

We have received your PIP review form. We may contact you for more information or you may need an assessment with a health professional before we make our decision. We will contact you again if you do. You will continue to get PIP while your award is being reviewed. You only need to contact us if your circumstances change."

"Report back from AP to DWP for decision to be made

About your PIP review. The health professional has sent us their report. We will make a decision on your PIP, but it may take 6 weeks before you hear from us. You will continue to get PIP while your award is being reviewed. You only need to contact us if your circumstances change."

Pension Credit take up

Nationally, 770,000 older people are missing out on £1.4 billion a year Pension Credit. The Council has written to 775 pension age Newcastle residents we think that - according to our records - should be claiming Pension Credit.

You can get a copy of the information that the DWP hold about you

This is called the 'right of access'. See <u>Request your personal information from the</u> <u>Department for Work and Pensions</u>

Changes to End of Life special rules

There are special benefit rules for people who are classed as terminally ill that provide fast-track access to certain benefits provided by DWP.

For benefit purposes, you are regarded as 'terminally ill' if you have a progressive disease from which your death can 'reasonably be expected within six months'. This was extended to 12 months from 4 April 2022 for UC and ESA. At some stage, similar improvement will apply to disability benefits.

We covered much of this in the last Benefit Bulletin and since then more Government information has been provided or updated, including:

Special Rules for End of Life factsheet

The 'Special Rules': how the benefit system supports people nearing the end of life

<u>DWP factual medical reports: guidance for healthcare professionals</u> including a flow chart of the new process for clinicians

Fast-tracked access to benefits extended to more people nearing end of life

<u>Universal Credit if you have a disability or health condition</u> including when you are treated as terminally ill by the new rules and what you need to do

New Style Employment and Support Allowance: detailed guide including the new rules

Universal Credit and your Claimant Commitment

A Claimant Commitment is the agreement with you and the Jobcentre about your work-related activity. "If a medical professional has said you have less than 12 months to live, you will not need a Claimant Commitment."

Guidance: ADM Memo 8/22 and DMG Memo 6/22

Single Service Phone Life in Bereavement

From 11 April, the way citizens contact DWP Bereavement Services changed. "Citizens will now be able to access the following bereavement services through a single phone number **0800 151 2012**, to:

- Report a death, provide information and find out what support is available following a bereavement.
- Make a new or, manage an existing claim for Bereavement Benefit or Bereavement Support Payment
- Make a new or, manage an existing claim for Funeral Expenses Payments

• Request State Pension updates following the death of a spouse or civil partner" From the DWP April Touchbase

Tell Us Once

Tell Us Once is a Government service that lets you report a death to most government organisations in one go. See <u>What to do after someone dies: Tell Us Once</u>

Further support, information and training

Find our **earlier Benefit Bulletins** on our <u>website page for professionals and</u> <u>volunteers</u> and for **more information on benefit changes**, see our website page

Benefit Bulletin by the Active Inclusion Service, June 2022

<u>Changes to the benefits system</u> which includes a **timeline of the main benefit changes** and of course the <u>Coronavirus and benefits</u> pages

More details about benefits, including those mentioned above, can be found on <u>our</u> <u>welfare rights and money advice website pages</u>, including benefit self-help factsheets

Find Where to get advice in Newcastle on the benefit advice services website page

For details of our 'live' **Teams training** and **e-learning modules** for professionals such as 'Introduction to Benefits' and 'Universal Credit', see our <u>website page for</u> <u>professionals and volunteers</u>

Professionals can get phone advice from <u>the Council's Welfare Rights' consultancy</u> <u>line</u>.

You can subscribe to the DWP information for professionals in Touchbase

This Benefit Bulletin was written by the Active Inclusion Service at Newcastle City Council. It is provided bi-monthly and at times of important benefit changes and news. It is as accurate as possible at the time of writing

We also write a weekly-ish adviser's email, with quick details and changes. Email <u>clive.davis@newcastle.gov.uk</u> to go on the mailing list

We also produce a weekly **Active Inclusion Newcastle e-bulletin** which provides a brief update on financial inclusion and homelessness prevention issues. If you want to receive this, or for more details, email <u>activeinclusion@newcastle.gov.uk</u>