

Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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Introduction to Benefits – training

If you want to get a basic idea about:

- how benefits work
 - how to help people get what they're entitled to and to avoid problems
 - where you and residents can get support and information on benefits
- then sign up for this free live course on Teams:

Available dates:

- Tue 13 June 2023. 2-4.30pm
- Tue 26 September 2023. 2-4.30pm
- Thu 7 December 2023. 2-4.30pm

[Further information and how to register](#) or [direct link to the courses](#)

The move to Universal Credit - news

Universal Credit is replacing six 'legacy benefits' such as Housing Benefit and Tax Credits.

There are two main ways this is happening:

1. 'Natural Migration'

Those on legacy benefits have a change in circumstances and have to claim Universal Credit. Or, they find out they would be better off on Universal Credit and claim it. About 30,000 Newcastle households have moved to Universal Credit in this way, with 11,000 still on legacy benefits.

2. 'Managed Migration'

At some stage, the Department for Work and Pensions (DWP) will write to those still on 'legacy benefits' giving them three months to claim Universal Credit, after which their 'legacy benefits' will stop.

When will Managed Migration start?

Based on government [information](#) and a [press release](#) :

- From April 2023 for about a year, the DWP plan to start writing to people who are solely in receipt of working tax credit and/or child tax credit. We don't exactly know when and where yet. Latest press release from DWP
- In 2024/25 the DWP plan to write to the remaining tax credit cases (which also receive DWP benefits) and Income Support, Housing Benefit and Income-based Jobseekers Allowance.
- By the end of 2024/25 the DWP will have completed the moves of all legacy cases with tax credits (including those on both ESA and tax credits), all cases on Income Support and Jobseeker's Allowance and all Housing Benefit only cases.
- The remaining ESA cases will not be managed migrated till 2028/29.
- As a consequence, the Housing Benefit and Pension Credit merger is also delayed till 2028/29.

- The DWP continue to carry out Managed Migration pilots with very small numbers in various areas during 2023/24. None have been in Newcastle but we will tell you if we hear different.

More details on our four webpages:

[The move to Universal Credit](#)

[Where to get support in Newcastle with Universal Credit](#)

[Universal Credit](#) (a simple guide)

[Universal Credit more detailed guide](#)

Read the DWP's [learning](#) from its small pilots

Benefit announcements in the recent Spring Budget 2023

This is a quick overview of the benefit and related announcements. Future bulletins will have more details.

Changes for those claiming benefits who are long-term sick and disabled

The following will be abolished:

- The Work Capability Assessment (WCA) which decides on incapacity for work for Universal Credit, and
- The Limited Capability for Work Related Activity (LCWRA) element in Universal Credit, which is paid for satisfying the LCWRA test (in other words 'more sick')

Instead, a 'UC health element' will be paid (at the same rate as LCWRA element) for those getting PIP and a few other reasons. A new personalised approach to employment support and engagement' will provide the work conditionality requirements.

There will be transitional protection for those who lose the LCWRA element because they don't satisfy the reasons for getting the new UC health element

The timescale will be 'on a staged geographical basis no earlier than 2026/27. We would expect the new claims roll-out to be completed within three years (so by 2029 at the earliest), when we would then begin to move the existing caseload on to the new system.'

These changes will **not** apply to Employment and Support Allowance. PIP and UC will remain separate benefits.

More details are in the '[Transforming Support: The Health and Disability White Paper](#)'

Also see our factsheet on the Work Capability Assessment as well as the LCWRA on our [Benefits information](#) webpage

More people will have to take part in work-related activity

More Universal Credit claimants, including some couples, will have to take part in more work-related activity. We think this will be from 2024/25. This will involve a change to the Administrative Earnings Threshold* rule which has already been changed several times to increase work related conditionality for claimants, such as the change on [30 January](#) this year.

* The Administrative Earnings Threshold rule is where some part-time claimants can be asked to do more work activity if their present earnings are below a certain amount.

Universal Credit claimants that are lead carers of children aged 1 or 2 are to meet with Jobcentre work coaches more regularly in order to prepare for work. Additionally, lead carers of children aged 3 to 12 will be asked to increase the number of hours they search for work.

The Train and Progress scheme – ‘that increases the length of time that Universal Credit claimants in the Intensive Work Search regime can spend on full-time training from 8 weeks to 12 weeks (and to 16 weeks in certain subject areas which have Skills Bootcamps) while still remaining eligible for universal credit will be extended to April 2025.’

More details about work related requirements, the Administrative Earnings Threshold and the Claimant Commitment from [Entitledto](#), [Citizens Advice](#), [Contact](#) and [universalcredit info](#)

Sanctions to be automated

If a claimant on Universal Credit for example, fails to carry out a work-related requirement, their benefit might be reduced, called a sanction. The budget announced that the sanctions regime will be strengthened, ‘by automating parts of the process to improve efficiency and reduce error, and ensuring that work coaches have the tools and training to implement sanctions as effectively as possible, including for claimants who do not look for or take up employment.’

Universal Credit higher ‘surplus earnings’ rule delayed again

Earnings over £2,500 a month when Universal Credit payments stop due to income being too high are carried forward to the next Universal Credit monthly assessment. If these, and normal earnings, are still over the limit, people have to re-claim Universal Credit when their earnings are low enough. The plan in Budget 2018 was to reduce this from £2,500 to £300 from April 2020 but it will remain at £2,500 until April 2024.

[More details about surplus earnings](#) are available from gov.uk

Childcare costs

Because Universal Credit is paid monthly in arrears this has caused difficulty in paying childcare costs upfront. The Government will be ‘providing parents on Universal Credit who are moving into work or increasing their hours with support with childcare costs upfront rather than in arrears’. We think this will start from April this year.

The amount of help for childcare costs in with Universal Credit is to increase to £951 for one child and £1,630 for two children. We think this will be introduced in April this year.

The Government will be increasing the amount of free childcare that working families in England can access by funding 30 free hours per week for parents with children between 9 months and 3 years, with the extra help being rolled out between April 2024 and September 2025.

Employment and related support

Alongside the increased work related requirements above, measures will target those 'groups where work inactivity levels are high or where employment support is most needed', the 'youth offer' will be extended, a new supported employment programme for disabled people called 'Universal Support' will be created, over 50's will be encouraged to stay in and return to work and there will be intensive English language courses and employment support for Ukrainians fleeing the war who have arrived in the UK under the Ukraine Visa Schemes.

Responses and summaries of the Budget

[What the Budget 2023 means for families with disabled children | Contact](#)

[CAP UK | Spring Budget 2023: what you need to know](#)

[Spring Budget 2023 | Institute for Fiscal Studies \(ifs.org.uk\)](#)

The new benefit rates from April 2023

Can be found via our [Benefits information](#) webpage. Most have been increased with inflation.

Work Capability Assessment handbook: for healthcare professionals

This [guidance](#) is for healthcare professionals who undertake Work Capability Assessments on behalf of the DWP.

The Benefit Cap will be increased with inflation from April 2023

The Benefit Cap that limits the total of several working age benefits a family can receive is to be increased by inflation from April 2023. As announced in the [Autumn Statement 2022](#) and provided for in [legislation](#)

The cap will be raised from £20,000 to £22,020 for families nationally and from £23,000 to £25,323 in Greater London, while for single adults it will be raised from £13,400 to £14,753 nationally and from £15,410 to £16,967 in Greater London.

Bereavement Benefits extended to unmarried couples with children

From 9 February 2023, unmarried couples with children can claim Bereavement Benefits if a partner dies. Backdating is possible to 30 August 2018, but claims must be made before 8 February 2024 to get the full amount. After that backdating may be limited to 3 months.

For more information, see the [legislation](#), DWP [press release](#) and [guidance](#) and information from the childhoodbereavementnetwork.org.uk

Support for mortgage interest (SMI) improvements

SMI is a **loan** for those on certain benefits to help with mortgage payments.

From 3 April 2023, the waiting time for this loan is reduced from 9 to 3 months and Universal Credit claimants will be able to continue receiving the loan while in work. This rule stopped your loan if you earned during the wait period or when getting the loan, and meant you had to start the 9 months wait again.

See the [legislation](#) and [explanation](#).

Voluntary National Insurance contributions deadline extended

From April 2013, the government permitted individuals to retrospectively build their April 2006 to April 2016 national insurance contribution record through voluntary contributions alongside the new state pension. The deadline for voluntary contributions has been extended from 5 April 2023 to 31 July 2023.

Details from [Taxpayers given more time for voluntary National Insurance contributions - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/taxpayers-given-more-time-for-voluntary-national-insurance-contributions)

Exception to the 2-child limit - while in a coercive or controlling relationship

The 2-child limit normally means you cannot claim for third or more children in with your Child Tax Credit or Universal Credit.

There are various [exemptions to this rule](#), including where a child was conceived without consent through rape **or while in a coercive or controlling relationship**.

This is a very sensitive and difficult area, but did you know there is a defined process where a professional completes a form and the change of circumstances is submitted on the Universal Credit journal. It's not a case of the claimant having to be interviewed or provide detailed evidence or ask UC to investigate etc.

This takes you to those who can sign a form:

[Approved third party professionals who can complete these forms - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/approved-third-party-professionals-who-can-complete-these-forms)

Newcastle includes Woman's Aid and the Angelou Centre. UK wide, it includes any of the following:

- a healthcare professional in a Sexual Assault Referral Centre
- other healthcare professionals, such as a doctor, midwife, nurse or health visitor
- a registered social worker
- a specialist support worker from one of the following approved organisations,
- [The Survivors Trust](#)
- [Refuge](#)

This link is to the rules:

[Support for a child conceived without your consent \(publishing.service.gov.uk\)](#)

This link is to the form to complete:

[NCC1 Support for a child conceived without your consent form \(publishing.service.gov.uk\)](#)

DLA higher rate mobility for children with learning disabilities or autism

Excellent guidance from [Contact](#)

Terminal illness rule extended to 12 months for more benefits

For benefit purposes, you are regarded as ‘terminally ill’ if you have a progressive disease from which your death can reasonably be expected within a certain number of months. In April last year it was extended from 6 to 12 months for Universal Credit and ESA. From 3 April this year, the 12 months will apply to Personal Independence Payment, Disability Living Allowance and Attendance Allowance.

See the legislation: [The Social Security \(Special Rules for End of Life\) Act 2022 \(Commencement\) Regulations 2023 \(legislation.gov.uk\)](#)

If you are dealing with someone’s benefit or simply have a question...

... ring **Newcastle Council’s Welfare Rights consultancy line**. It could save you time and help you know what to do next.

Details [Information for professionals and volunteers - financial inclusion](#)

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: [Benefit advice services in Newcastle and benefit offices](#) includes details on the Welfare Rights Service’s Public advice line.

Newcastle East Jobcentre reopens

Newcastle East Jobcentre has reopened and is now back to business as usual. Details [Benefit advice services in Newcastle and benefit offices](#)

Cost of living crisis information, advice and news

The Government's measures to help people with the cost-of-living crisis were listed in the last Benefit Bulletin, so this is some news since then.

Cost of Living Payments extended

As announced in the [Autumn Statement 2022](#), the three Cost of Living Payments will be repeated between spring 2023 and spring 2024 with similar rules and increased amounts for those on low income benefits:

- £301 for people on an eligible **low-income benefit**, to be paid during spring 2023
- £150 for people on an eligible **disability benefit**, to be paid during summer 2023
- £300 for people on an eligible **low-income benefit**, to be paid during autumn 2023
- £300 for **pensioner households**, to be paid during winter 2023 to 2024
- £299 for people on an eligible **low-income benefit**, to be paid in spring 2024

Energy help

The [Spring Budget](#) announced it will

- maintain the Energy Price Guarantee at its current level of £2,500 for an additional 3 months to June 2023, and
- bring prepayment meter energy charges [in line](#) with customers who pay by direct debit until the Energy Price Guarantee ends, with a view then to ensuring the premium is ended on a permanent basis.

Easier for Sky customers to get cheaper internet due to DWP scheme

Sky is the first national provider to help their customers access cheaper broadband by signing up to the Department for Work and Pensions scheme for benefit claimants. More details from [gov.uk](#)

More details and support

See the Government's [Cost of Living Payments webpage](#), a [Stakeholder toolkit](#) and [internal guidance memo](#) and the Council's webpage [Cost of living support | Newcastle City Council](#)

See also the Local Government Association's [cost of living hub](#) that has been designed to share best practice and help councils to support their residents with the rise in the cost of living.

Further support, information and training

Find our **earlier Benefit Bulletins** on our [website page for professionals and volunteers](#) and for **more information on benefit changes**, see our website page [Changes to the benefits system](#) which includes a **timeline of the main benefit changes**

More details about benefits, including those mentioned above, can be found on [our welfare rights and money advice website pages](#), including benefit self-help factsheets

Find **Where to get advice in Newcastle** on the [benefit advice services website page](#)

For details of our 'live' **training on Teams** and **e-learning modules** for professionals such as 'Introduction to Benefits' and 'Universal Credit', see our [website page for professionals and volunteers](#)

Professionals can get phone advice from [the Council's Welfare Rights' consultancy line](#)

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 regular email for advisers and interested others, with quick benefit news and information. Email clive.davis@newcastle.gov.uk 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 activeinclusion@newcastle.gov.uk