# Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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# Special Newcastle City Council website pages on coronavirus and benefits

We have produced these three website pages:

<u>Coronavirus and benefits – what the changes mean for you</u> describes the main measures, explains what they mean for you and provides more detail including any potential issues

<u>Coronavirus and benefits – news</u> includes the latest announcements and changes, so you can see them as they happen rather than being hidden in the detail

<u>Coronavirus and benefits – guidance and legislation</u> provides background resources, with guidance from the government and independent sources and the legislation that has brought in some of the measures

# Where to get advice in Newcastle – updated again

Like other services, Newcastle's advice services changed from face-to-face to mainly phone advice. Some have recently started to see people in person in a limited way.

The latest details are in our document **Where to get advice in Newcastle**, which can be found on the Newcastle City Council website page: Benefit advice services in Newcastle and benefit offices.

Professionals can get phone advice from the Council's Welfare Rights' consultancy line.

# News on coronavirus and benefits

In March the Government introduced measures to support people during the pandemic. Some were time limited. These are described in an earlier <u>Benefit Bulletin</u> and the above <u>Coronavirus and benefits</u> webpages.

In June and July, the government announced how some of this support would continue or be reduced. The following summarises some of those key changes. For fuller details see our <u>Coronavirus and benefits</u> webpages.

This relates mainly to benefits and below are some other related changes.

#### **Jobcentres**

From July Jobcentres started to reopen in a limited way to the public. This <u>government</u> <u>webpage</u> says: "You do not need to attend the jobcentre unless we ask you to do so. If you need to contact us the quickest way to do this is online or by phone. If you need to attend a jobcentre, they are open and one of our colleagues will be able to assist you. Please wear a face covering when entering a jobcentre".

A <u>Public and Commercial Services Union news item</u> reports the Department for Work and Pensions (DWP) saying that appointments should be done by telephone if possible but there are priority groups who "really do require a face-to-face appointment", and could be offered appointments including:

 Identity Verification – claimants self-presenting as unable to engage through digital channels, or referred from specialist teams  Claimant Commitment for Universal Credit New Claims – for new claims made from 15 July 2020 onwards

Our local Jobcentre Partnership Manager has said:

"Extended Operating Hours

From 30 November selected Jobcentres including Newcastle City will extend their operating hours to 8pm on weekdays and from 9am-5pm on Saturdays, the Jobcentre opening hours will remain the same as now but people may be contacted via telephone/journal or offered telephone appointments during the extended times."

## **Work-related requirements**

Universal Credit and other means-tested benefits, like Jobseeker's Allowance, have certain 'work-related requirements' depending on your circumstances. These were eased in March but have been reintroduced. It is important you know what your requirement are in order to keep your benefit.

#### **Claimant Commitment**

The <u>Claimant Commitment</u> is an agreement between you and your work coach at the Jobcentre, which determines what your work-related requirements are. If you feel your Claimant Commitment is not realistic or inaccurate, you can ask to revise it – otherwise you may be asked to do things that you cannot do and risk getting a sanction. Claimant Commitments have restarted but mainly for new claimants and over the phone.

Our local Jobcentre Partnership Manager has said:

"People who claimed Universal Credit (UC) between 1 March and 14 July were not asked to agree tailored claimant commitments, this was so that DWP could focus on processing the large volume of claims received during this time. From September 2020 DWP will start to agree Claimant Commitments with those people in the intensive work search group who made a claim during this period and are still claiming. Initially they will receive a message in their UC Journal asking them if their circumstances have changed, then they will be sent via their UC online account, a series of To Do's to update their information, if they don't respond we will contact them to do an interview over the phone. Claimants will need to accept their commitments on their UC claim once they are agreed. Commitments will take into account any current/local restrictions due to COVID 19."

#### **Sanctions**

If you fail to carry out a work-related requirement you could be sanctioned where your benefit is stopped or reduced for a period.

#### If you cannot use digital services at all

The <u>DWP say</u> "... Universal Credit applications can still be made over the phone". Please also see the advice about jobcentres above.

# 'Switching off work availability requirements'

The DWP have said: "Anyone who declares a health condition that restricts their ability to work (including mental illness) will have their work availability requirement switched off pending the outcome of their Work Capability Assessment (i.e. they will not be sanctioned if they do not take up a job). Work coaches can use their discretion to apply work search requirements, work preparation activities and work focused interviews if these are reasonable in light of the impact of their health condition. All claimants who are subject to conditionality will only be required to undertake agreed, reasonable, work-related activities that are consistent with government advice on social distancing". (Email from DWP to welfare rights advisers in Operational Stakeholders Forum 30 June 2020)

# If you're claiming Universal Credit and think you're affected by coronavirus

The <u>DWP say</u> "please contact your work coach as soon as possible, using your <u>online</u> <u>journal</u>.

# Requirement to provide medical evidence is reintroduced

This was deferred for claims for Employment and Support Allowance but was reintroduced on a phased basis (for new claims) from 10 July 2020. Details are in the <a href="https://doi.org/10.2020/journal.com/">DWP Touchbase</a>

# **Statutory Sick Pay changes**

Statutory Sick Pay (SSP) extended for people self-isolating

To fit with the NHS guidance advising certain people to self-isolate for ten days, SSP was extended from seven to ten days from 5 August 2020. See the <u>regulation</u> bringing this in.

SSP extended for those self-isolating prior to going into hospital for surgery

See the regulation bringing this in from 26 August 2020.

#### Shielding and SSP

On 1 August 2020, the guidance for 'clinically vulnerable' people changed. They are no longer able to claim SSP (unless they are self-isolating under current guidelines or ill) on the basis that they cannot work because they are required to shield.

More details on SSP from Low Incomes Tax Reform Group (LITRG).

# Deductions from benefits for overpayments and repayments has restarted

In March 2020, deductions from benefit for the recovery of Universal Credit and legacy benefit overpayments, Social Fund loans and Tax Credit debts were paused. The Government also temporarily suspended direct deductions from benefits to pay 'third parties' for things like rent and fuel arears.

Such deductions from benefit have now restarted.

For more details, see DWP guidance <u>Benefit overpayment recovery: staff guide,</u> <u>Eligible Loan Deduction Scheme</u> and <u>Direct Earnings Attachment - and employer's</u> guide and independent information from Disability Rights UK.

**Note**: The DWP say that those who are experiencing "real financial hardship" can request deferral of repayments by phoning the Debt Management line on 0800 916 0647.

## Disability benefits face-to-face assessments, reviews and reassessments

In March these were suspended for three months. On 6 July 2020, the Government announced face-to-face assessments would remain suspended, but some review and reassessment activity would gradually resume for Personal Independence Payment (PIP) and Disability Living Allowance (DLA) – with the DWP starting to contact people.

This also applies to the incapacity for work test in Employment and Support Allowance (ESA) and Universal Credit.

People are also encouraged not to delay making a claim and they too will be contacted. For more details see the Government <u>press release</u>.

If you are not getting a disability benefit and think you are entitled you can still make a claim for it.

More details from **Disability Rights UK**.

# **Disability benefit warning**

If you get a disability benefit, have a change in needs and you think you are entitled to a higher amount of PIP, for example, you can still contact the DWP – but do be certain you are entitled to the higher amount as the DWP can relook at the whole award.

# **Getting the higher amount of Employment and Support Allowance and Universal Credit**

The amount of Employment and Support Allowance (ESA) and Universal Credit can be increased if you have higher difficulties or needs due to disability or ill health. For details on the criteria and how to get this extra amount, see our 'Employment and Support Allowance and Universal Credit work capability assessment' factsheet on our benefit information page.

#### **Tribunal service changes**

If you are unhappy with a benefit decision you can ask the DWP to reconsider their decision. This is called a mandatory reconsideration. If you are unhappy with that decision, you can appeal to a local independent tribunal. Again, tribunal venues changed to remote hearings over the phone or video calls but recently some tribunal offices are beginning to reopen for safe hearings. See this government guidance <a href="here">here</a> and <a href="here">here</a> and <a href="here">tribunals guidance from Courts and Tribunals Judiciary</a>.

# Hotels and B&Bs used during pandemic added to 'shared room rent' exemption

Under 35 year olds may get less help with their rent (called the 'shared room rent') in their benefit unless they come under an exception such as (for those aged 25 to 35) moving from a hostel. The DWP have <u>advised local authorities</u> that this includes those who were accommodated in hotels and B&Bs during the pandemic.

## No plans to increase help with mortgages

Help with mortgage costs usually starts once you have been on certain benefits for 39 weeks. This help is in the form of a loan and there is <u>government guidance</u> on the rules of the loan. A government minister has <u>said</u> in response to a call by the <u>Money Advice Trust</u> there are no plans to reduce that waiting period from 39 to 13 weeks.

# Coronavirus: Withdrawing crisis social security measures

This <u>Commons Library briefing paper</u> (dated 13 August 2020) outlines the changes made by the DWP in response to the coronavirus pandemic, expectations for their withdrawal and the wider plans for recovery.

# Other related changes include:

# The Coronavirus Job Retention Scheme (the 'furlough' scheme)

This government scheme to support employers keep staff on was extended with reduced support. Claims by employers must have been submitted before 31 July 2020 (except for military reservists or those returning from statutory parental leave). The scheme ends on 31 October 2020. More details from the Government and ACAS.

#### **Job Retention Bonus**

This bonus is a one-off government payment to employers of £1,000 for every employee who they claimed for under the furlough scheme and who remains continuously employed until at least 31 January 2021. More <u>details from the Government</u>.

## **Self-Employment Income Support Scheme**

This <u>government scheme</u> to support some self-employed people was extended for a second grant to be claimed on or before 19 October 2020.

#### New Kickstart scheme from 1 September 2020

The <u>Kickstart Scheme</u> provides funding to employers to create six month job placements for 16 to 24 year olds.

More announcements can be found in the <u>Commons Library briefing paper (dated 13 August 2020)</u>.

#### Access to Work scheme to be extended

See New help on offer for disabled people working from home during the pandemic from the Government.

## Eviction ban extended and new notice period

On 21 August 2020 the Government <u>announced</u> that the ban on evictions was extended for another four weeks and a new six month notice period would apply until at least 31 March 2021 except for 'serious cases'. See <u>Coronavirus: A ban on evictions and help for rough sleepers</u> by the House of Commons Library.

# Government sets out comprehensive support for renters this winter

This government webpage explains previously mentioned and other measures.

# Make sure you are not going to be worse off claiming Universal Credit

You could be financially better off claiming Universal Credit, but you may also be worse off.

Claiming Universal Credit could end your Tax Credit award immediately, as well as some other benefits. Those who are already on the benefits that Universal Credit is replacing (like Tax Credits) need to decide whether they would be financially better off remaining on those benefits or claiming Universal Credit.

A court case has found it illegal not to provide transitional protection when someone ended up on a lower amount of Universal Credit and unable to return to their previous benefits. We await a response from the DWP on this.

For more information, see under the heading Universal Credit on coronavirus and benefits and you. Also, find out which is your best option from a Newcastle advice service or do the calculation yourself. A government minister referred to such calculators and said in Parliament: "Neither DWP nor HMRC can advise individual claimants whether they would be better off moving to Universal Credit or remaining on legacy benefits".

More details about **Universal Credit**.

#### Information for advisers

Since March we have been providing regular emails once or twice a week to help keep advisers up to date with fast moving developments on coronavirus and benefits, plus other benefits information. If you advise people on benefits and would like to receive this email, please email <a href="mailto:activeinclusion@newcastle.gov.uk">activeinclusion@newcastle.gov.uk</a> asking for the 'advisers email' and stating your name, phone number and role.

#### Other benefit news and issues

#### Accessing benefits with terminal illness

A recent <u>Commons Library Briefing Paper</u> explores the history of the Special Rules for Terminal Illness, how they work in practice, the debate that surrounds them, and looks at recent developments in Scotland and the wider UK.

It follows the <u>Welfare (Terminal Illness) Bill</u> which received its first reading in the Commons in July with the second reading due on 27 November 2020. The bill aims to reform the benefit 'special rules' which are a "source of distress and difficulty for people living with terminal illness" said <u>Jessica Morden MP in Parliament</u>.

## No need for a mandatory reconsideration – in some cases

If you are unhappy with most benefit decisions, you normally have to ask the DWP to carry out a 'mandatory reconsideration' where they reconsider their decision, which you can then appeal to an independent tribunal. A recent court case has changed that in the following situation.

To be entitled to Employment and Support Allowance (ESA) you have to be accepted by the DWP as incapable of work. In other words, you have to score enough points to satisfy the 'work capability assessment'. If the DWP decide you do not score enough points, unless you satisfy another rule, your ESA is refused. Up until this case, you would have to request a 'mandatory reconsideration' and then submit an appeal if you are unhappy with that. During the time the DWP were considering the mandatory reconsideration request you could not get any ESA, but as soon as you appealed you could get ESA 'pending the appeal'.

It means that in some cases ESA claimants can appeal the 'work capability assessment' decision and receive ESA 'pending the appeal' without first needing to request a mandatory reconsideration. Please note this only applies in certain situations. The DWP has provided guidance on this in <u>ADM Memo 21/20</u> and <u>DMG Memo 19/20</u>.

**More detailed advice** is provided in <u>Bulletin 4</u> by Wolverhampton Welfare Rights Service.

# Teenagers can access their Child Trust Funds for the first time

From September 2002, when children were born and on their seventh birthday they were given vouchers by the government, which could increase with parental contributions.

From 1 September 2020, the oldest children will turn 18 and be able to access their money.

Some children will not know there are accounts in their name and there is money waiting for them.

HMRC has created a <u>simple online tool to help young people find out where their account is held</u>

See more details from the <u>government</u> and the <u>BBC</u>, which explains that some disabled teenagers cannot access it and how the scheme was scrapped by the coalition government as part of its welfare reforms.

#### **Electronic claims and forms**

An increasing number of benefits can often be claimed online, for example <u>Pension</u> <u>Credit</u> and <u>new style Employment and Support Allowance</u>, and you can also <u>submit an</u> <u>appeal online</u>.

The capability for work questionnaires used for Employment and Support Allowance (ESA50) or Universal Credit (UC50) can be downloaded, completed on your computer, printed and sent. See details from the <u>Heath Assessment Advisory Body</u>.

The Government have been piloting an electronic claim form for Personal Independence Payment (PIP), the form PIP2, but have not yet rolled it out. In the meantime, this form allows you to complete a PIP application, print it and send to the DWP: <a href="https://digitalpip.lexisnexisrolfoundation.org/">https://digitalpip.lexisnexisrolfoundation.org/</a>

# High Court finds Universal Credit monthly income rule unlawful, again

Universal Credit is assessed every month and takes income into account on the date it was paid – not for the period it was for (as in legacy benefits). Due to this, a working mother became subject to the benefit cap, which reduced her Universal Credit award. This is the second court case in a month that found the Universal Credit monthly assessment period irrational and unlawful.

There is an explanation from the <u>Guardian</u> and <u>Child Poverty Action Group (CPAG)</u> who said:

"She was penalised even though somebody doing exactly the same work, for the same number of hours at the same rate of pay, would be exempt from the benefit cap because their employer happens to pay them monthly.

The <u>Court</u> agreed with us that this situation was irrational and unlawful. It has left her up to £5,000 a year worse off, and she has had to use food banks and to ask her children's school for help with school uniform costs because the benefit cap left her struggling to make ends meet."

The DWP are looking at the decision. See <u>June's Benefit Bulletin</u> for the earlier court decision.

# **Advice on completing forms**

Just a quick reminder of the guidance we provide on claiming benefits like Personal Independence Payment, Employment and Support Allowance and equivalent in Universal Credit and so on, which are found on our <u>benefit information</u> web page.

# **Deaf people and British Sign Language**

Contacting the DWP and getting advice and information can be difficult for deaf people. The Government have announced <u>Universal Credit claimants can now access</u> <u>British Sign Language (BSL) interpreters as part of a free video relay service</u>.

For more details, see <u>DWP advice for deaf people who use BSL and the Video Relay Service</u>. Also, see this <u>BSL signed information about coronavirus</u>.

See also details in our June 2020 Benefit Bulletin

# Denial of Bereavement Support Payment due to insufficient national insurance contributions unlawful

Getting this payment depends, for example, on your late spouse or civil partner having paid enough National Insurance contributions, which in this case wasn't possible because their disability prevented them from working. We await the Government's response to this Northern Ireland court case.

# Widowed Parent's Allowance and Bereavement Support Payment to be extended to cohabiting couples

In August 2018, the <u>Supreme Court</u> decided the refusal of Widowed Parent's Allowance to a woman who was not married to the deceased father of their children was unlawful. In February this year, the <u>High Court</u> found that denial of the higher rate of Bereavement Support Payment to unmarried, cohabiting partners with children was also unlawful.

On 28 July 2020, <u>minister Mims Davies</u> said it was the Government's intention to put forward a remedial order to remove these incompatibilities in due course.

## Increased barrier for disabled students to get Universal Credit

From 5 August 2020, <u>a new rule applies</u> where, as well as having to satisfy other rules such as being on a disability benefit, a disabled student has to have had a 'limited capability for work' decision on or before their Universal Credit claim.

The 'limited capability for work' (LCW) test is used to prove incapacity or sickness used in Employment and Support Allowance (ESA) or Universal Credit.

Disability Rights UK have <u>explained</u> this extra hurdle for disabled students creates a 'catch 22' where Universal Credit is refused for a student not previously on ESA because they haven't got LCW, thus preventing them having a LCW test.

The advice for the moment is for the student to apply for New Style ESA which will get them the LCW test before they apply for Universal Credit.

# Other related news and information

## **Coronavirus Act report**

The Government have to report on the parts of the Act that are currently active. This <u>latest one</u> was in July.

# Report on coronavirus' impact on disabled people

The report 'Abandoned, forgotten and ignored' is by Inclusion London

# The economic impact of COVID-19 will hit people living in poverty the hardest

<u>Research</u> by the Social Metrics Commission, based on a survey of 80,000 people from across the UK, shows that people living in the deepest forms of poverty are more likely to have faced furlough, reduced hours and wages or lost their job.

Also see the recent Trades Union Congress (TUC) report <u>Our social security net is</u> failing during the Covid-19 crisis.

#### New Universal Credit claimants see a 40% fall in their net income say IFS

See the report <u>Government support helped cushion the financial blow of COVID-19, but many faced financial difficulties before payments arrived</u> by the Institute for Fiscal Studies.

# Six emergency food parcels every minute

Foodbanks in the Trussell Trust's network are forecast to hand out six food parcels a minute this winter in a report by Heriot-Watt University, We must act now to protect people from needing emergency food.

## Parliamentary activity

In July a cross-party House of Lords committee said substantial reform of Universal Credit was needed to protect the most vulnerable. See <u>Universal Credit isn't working: proposals for reform</u> by this committee, and reports in the <u>Guardian</u> and <u>BBC</u>.

More recently, the All Party Parliamentary Group <u>call for reforms to universal credit in wake of COVID pandemic</u>.

## Call on the Government to extend extra £20 per week to other benefits

In March the Government increased Universal Credit and Working Tax Credit by £20 per week but not the other means-tested benefits that people also rely on. The <u>Joseph Rowntree Foundation have said</u> that to avoid 7000,000 more people being pulled into poverty, this extra should be extended to benefits like Income Support and it should not end in March 2021.

# What will happen after the Government has lifted the eviction moratorium?

See this report by Inside Housing.

## New report from IPPR on migrant families

This report found evidence of "malnutrition, cramped and substandard accommodation, and mental ill-health among undocumented migrant families unable to access public funds".

See the report <u>Access denied: The human impact of the hostile environment</u> by the Institute for Public Policy Research.

## TV licenses for over 75s to be means-tested

Up until 31 July 2020, those aged 75 years old or over could get a free TV licence. The BBC will add an extra rule where they or their partner have to be on Pension Credit to get the free licence. This rule was due to come in on 1 June 2020 but was delayed to 1 August 2020 due to the impact of coronavirus. More details from TV licensing.

# Further support, information and training

Find our **earlier Benefit Bulletins** on our <u>website page for professionals and volunteers</u> and for **more information on benefit changes**, see our website page <u>Changes to the benefits system</u> which includes a **timeline of the main benefit changes**.

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

Find 'Where to get advice in Newcastle' on the <u>benefit advice services website</u> page.

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

The DWP also produce useful items for professionals in <u>Touchbase: DWP news about work, working-age benefits, pensions and services.</u>

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 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 <a href="mailto:activeinclusion@newcastle.gov.uk">activeinclusion@newcastle.gov.uk</a>.