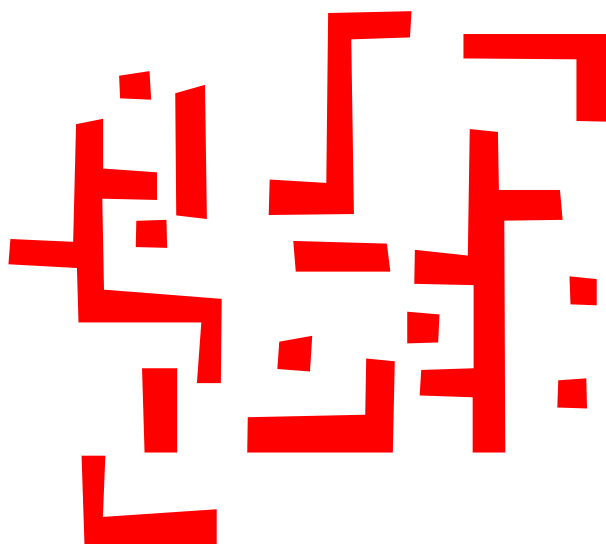


Introduction to Benefits and Tax Credits

April 2021



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A) Introduction

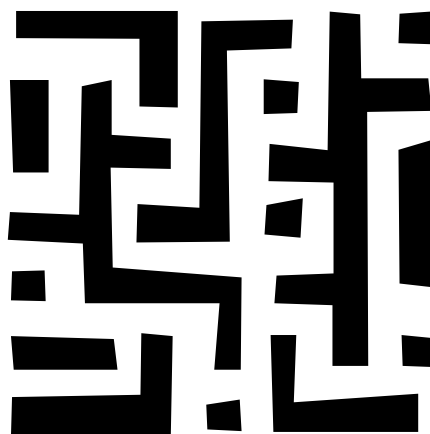
Why do we need to understand benefits and tax credits? Just a few of the reasons are:

- There are many different benefits.
- The benefit rules are complicated and keep changing.
- Large numbers of people do not claim the benefits they are entitled to.
- Billions of pounds go unclaimed each year.
- Benefit rates are low – people need to get all they are entitled to.
- The benefits system can be very daunting – people need help to claim correctly.
- It is important people understand what is required to claim benefit and to avoid benefit problems, such as sanctions and overpayments, and ensure benefit is paid correctly and on time.

For more information on benefits, benefit changes, benefit advice in Newcastle and to sign up for a Benefit Bulletin visit the website at www.newcastle.gov.uk/welfarerights

These notes offer a **very basic** overview of available benefits and the benefits system and include a checklist of benefits that may be payable for the various circumstances a person may be in. Many of the complexities and exceptions to the general rules are not included. Because benefit rules and amounts change regularly these general notes will have a limited shelf life. They are as accurate as possible at the date on the cover. Email for the latest version: activeinclusion@newcastle.gov.uk

They have been produced by Newcastle City Council's Active Inclusion Newcastle (AIN) service. Dealing with benefits is a part of Newcastle City Council working together with its partners to support people with financial inclusion and avoiding crisis. More details: activeinclusion@newcastle.gov.uk



B) The benefit structure and welfare reform

Broadly speaking benefits can be divided into two main groups:

Non means-tested benefits and **means-tested benefits**. Non means-tested benefits can be further split into two groups; **contributory** and **non-contributory**.



These notes briefly describe the rules for the benefits under each of the above groups. This is shown in a table in section C4 below. Other payments are in section C3 below.

Coronavirus and benefits

Some benefit rules and processes have been temporarily changed during the pandemic. For details see our webpages: [Coronavirus and benefits - what the changes mean for you](#), [Coronavirus and benefits - guidance and legislation](#) and [Coronavirus and benefits - news](#)

Welfare reform and benefit changes

The Government is making about £25 billion of welfare savings a year. Here is a list of the main changes which are incorporated into these notes where applicable. **Exceptions may apply**. Details can be found on our website, for example in the benefit changes timeline and Benefit Bulletins.

- Cuts to Housing Benefit for private tenants (Local Housing Allowance) from April 2011 and for working age social housing tenants, the 'bedroom tax' from April 2013, increased Discretionary Housing Payments funding to councils, removal of 'automatic' Universal Credit housing costs for new claims from 18-21 year olds, rescinded from 31 Dec 18 and a reduction in social sector rents by 1% for 4 years from April 2016.
- Mortgage help became a repayable loan from April 2018. The delay in help following a new claim increased from 13 to 39 weeks from April 2016.
- Various reductions in Tax Credits since April 2011. A 2-child limit introduced, and family element removed for new children from April 2017, with similar limits in Universal Credit and Housing Benefit.
- Uprating of many working age benefits reduced and frozen for four years from April 2016.
- Incapacity benefits reassessed under a tougher Employment and Support Allowance (ESA) from March 2011 and the £29 a week extra for those in the ESA work related group stopped for new claims from April 2017.
- Child Benefit frozen and, from April 2013, cut for higher earners.
- The age to claim State Retirement Pension is increasing. The age for men and women is also increasing for 'working age' benefits like Jobseeker's Allowance and 'pension age' benefits like Pension Credit and Winter Fuel Payment and Attendance Allowance. Simplified State Pension rules including the 'triple lock' and reductions in Pension Credit from April 2016

- 7 day waiting period that already exists for Jobseekers Allowance and Employment and Support Allowance introduced for Universal Credit from 2015 then removed from February 2018
- Shared parental leave and pay from April 2015
- Increased work-related conditionality for working age benefit claimants. For example, increased work related activity such as work focused interviews for those on ESA and lone parents, and for jobseekers e.g. work related activity for lone parents with children aged one, mandatory work activity and the Claimant Commitment; conditionality extended to partners, carers and part time workers under Universal Credit. Increased sanctions for non-compliance e.g. sanction periods increased and under Universal Credit, multiple sanction periods run consecutively rather than concurrently, and hardship payments become a repayable loan. Aligned with this free childcare doubled from 15 to 30 hours a week from 2017, an increase in apprenticeships and other support into training and employment and increased help with childcare costs under Universal Credit
- Increased restrictions on benefits for European Economic Area people and the EU Settled Status Scheme after Brexit.
- Household benefit capped to average wages from 2013. The cap was lowered from November 2016, so it affects more people, but some carers and other added to those who are exempt. The Cap affects Housing Benefit and Universal Credit.
- Council Tax Benefit and parts of the discretionary Social Fund abolished and handed over with a reduced budget to councils from April 2013
- Disability Living Allowance (DLA) for those aged 16 or who were born after 8 April 1948 replaced by Personal Independence Payment (PIP) for new claims from April 2013 and at various stages existing DLA claimants to claim PIP until process ends
- From 2013 people have to request a 'mandatory reconsideration' before making an appeal to an independent tribunal, except for Housing Benefit.
- Universal Credit is replacing 6 working age income related benefits, UC includes the 'two child limit' from January 2019 and other reductions. More changes to UC announced in Budget 2018 and later, including some easements, new claims for Universal Credit allow run-ons of more 'legacy benefits' and the big roll out from 2019 replaced with small pilots, some people with disabilities protected from claiming Universal Credit from January 2019 till January 2021.
- New claims from mixed age couples (one over pension age) had to claim Universal Credit instead of Pension Credit from 15 May 2019
- Bereavement Support Payment replaced Bereavement Payment scheme from April 2017
- **Coronavirus and benefits.** Several temporary changes, mainly from March 2020. Many extended into 2021 as the pandemic worsened. For details see our new webpages: [Coronavirus and benefits - what the changes mean for you](#), [Coronavirus and benefits - guidance and legislation](#) and [Coronavirus and benefits - news](#)

For a detailed list of benefit changes see the 'timeline of benefit changes' document on our [changes to the benefits system](#) webpage

C) The benefits

1) Non-Means Tested Benefits

Many of these benefits are designed to compensate for loss of earnings and are called 'earnings replacement' benefits. Normally income or capital does not affect entitlement, but some are affected by certain income. You can only receive one 'earnings replacement benefit' at a time, or a combination. See 'overlapping benefits' rules below. You will qualify you satisfy certain conditions, such as being available for work, incapable of work, disabled or widowed. An additional amount for an adult dependant may be included but for some benefits, only for claims before 6 April 2010. Additions for children were abolished for new claims in 2003. There are the following three kinds of non means tested benefits:

Contributory Benefits

To qualify for these benefits, you must have paid enough National Insurance contributions in certain past years. They are deducted from a person's wage or credited to them when not able to work for example, by claiming certain benefits or being a carer. HM Revenue & Customs (HMRC) keep a record of all contributions paid, which you can ask for.

Contributory Employment and Support Allowance (ESA)

First, some general rules for ESA

EA is paid to working age people who have 'limited capability for work' due to a disability or illness. It was introduced in 2008, replacing Incapacity Benefit and Income Support - paid on the basis of incapacity for work. Normally ESA will not be paid whilst working but see 'work' in 'general principles' below. ESA has two parts: **Contributory ESA** and **Income Related ESA**.

The award process is split into two periods.

The first 13 weeks of a claim is called the 'assessment phase'. During which time you are given a basic amount and tested for incapacity for work (called 'limited capability for work') and which of two groups you may fit into. The amount is less for under 25's. Their GP has to explain what work you can do as well as your incapacity on a 'fit note' which replaced sick notes in April 2010. This process of assessment takes 13 weeks.

After 13 weeks:

- If you are found to have incapacity for work (have 'limited capability for work') you are placed in the 'work related activity group' and have to take part in work focused interviews and other work-related activity. If you do not take part your ESA may be cut for a period (sanctioned). You get the basic ESA amount. An extra amount was stopped for new claimants from April 2017.
- If you are classed as 'more ill' (have 'limited capability for work related activity') you go into the 'support group' and get an extra amount added to the basic ESA amount

Contributory ESA

This part of ESA is payable if sufficient National Insurance contributions have been paid. A waiver for young people ended in April 2012. Payment is limited to one year, but can continue in some circumstances, such as being in the ESA support group (see above). It is treated as income by other means tested benefits that may be payable on top such as Income related ESA or Universal Credit (UC). It has not been replaced by UC. New claims for Contributory ESA are called 'new style ESA'.

See 'means tested' section below for **Income related ESA**.

Contribution-based Jobseeker's Allowance (JSA)

General rules for JSA

Paid to working age people who are unemployed or in part time work (see 'general principles' below). The claimant has to sign up to the 'claimant commitment'. This involves adhering to strict labour market conditions such as being available for and actively seeking full-time work and possible referral to 'work activities' that must be undertaken, such as mandatory work activity. Failure to comply can lead to periods of no or reduced benefit, called sanctions. People studying full time cannot usually get JSA but there are exceptions. JSA has two parts: **Contribution-based JSA** and **Income based JSA**.

Contribution-based JSA

This is payable if sufficient National Insurance contributions have been paid. It is payable for up to six months. Earnings and certain pension payments are taken into account, with some disregards. It is treated as income by Income based JSA and other means tested benefits. It has not been replaced by Universal Credit. New claims for Contribution-based JSA are called 'new style JSA'.

See 'means tested' section below for **Income based JSA**.

Incapacity Benefit

A person qualified if they are incapable of work because of illness or disability. Incapacity Benefit was replaced for **new** claims from 2008 by ESA. Existing awards continue until they are reassessed under the ESA test, which began in March 2011. Some complicated transitional rules apply.

Bereavement Support Payment

This replaces Bereavement and Widows Benefits for those under pension age and whose husband, wife or civil partner died on or after 6 April 2017 and satisfied certain National Insurance contributions rules or died due to an industrial injury or disease (see Industrial Injuries Benefits below). The payment is set at two rates -

- A standard rate for those who do not qualify for the higher rate – with monthly payments of £100 for a period of 18 months following the date of death, plus an extra payment of £2,500 for the first month, and

- A higher rate for pregnant women or those entitled to child benefit – with monthly payments of £350 for a period of 18 months following the date of death, plus an extra payment of £3,500 for the first month.

Key points include the loss of the Widowed Parents Allowance for those with children, the replacement of the initial lump sum payment, the continuation of help for the 18 months – which unlike present payments will be ignored by Universal Credit and the benefit cap, and a simplification of the National Insurance contribution conditions. If you start cohabiting with a new partner, enter into a civil partnership or remarry, this does not effect your entitlement to Bereavement Support Payment.

Widowed Parents Allowance

Paid to those whose spouse or civil partner has died **before** 6 April 2017 who satisfied National Insurance or died due to an industrial injury or disease (see Industrial Injuries Benefits below) and under pension age with Child Benefit for a relevant child, or widows who are pregnant by their late husband or after fertility treatment. This may still be in payment. It cannot be paid with Bereavement Support Payment. It may stop if a person remarries or forms a civil partnership. It is suspended whilst the person is cohabiting and re-instated if that ends.

General

There were two other payments for a spouse or civil partner who died before 6 April 2017: Bereavement Payment lump sum and Bereavement Allowance payable for 52 weeks.

State Retirement Pension

The 'new' State Pension is for those who reached pension age from 6 April 2016 and paid sufficient National Insurance contributions. It is paid at a basic rate which is increased if deferred. People who reached pension age or claimed it before 6 April 2016 get the 'old' State Retirement Pension, which had three main categories: **Category A** for those who have paid enough National Insurance contributions themselves, **Category B** based on contributions paid by a person's spouse or civil partner and **Category D** for those aged over 80. Retirement Pension is paid from a person's 'pension age', which depends on a person's date of birth. See www.gov.uk/new-state-pension. See also 'age' below.

Non-Contributory Benefits

There is no National Insurance contributions requirement for these non-means tested benefits.

The main non-contributory benefits are:-

Attendance Allowance

Paid to people who first claim on or after their pension age (it was from aged 65 or over before 6 December 2018) and have care and/or supervision needs. There are two rates of payment. The lower rate is having such needs during the day or the night-time. The higher rate is for needs during both the day and the night-time.

Child Benefit and Guardians Allowance

Paid to people who have responsibility for children under 16 years old and some under 20 year olds who are either in full-time education or who have recently left school or in training. Child Benefit is taxable for higher earners. **Guardians Allowance** is paid in addition to Child Benefit to people looking after children who are effectively orphans

Carer's Allowance

Paid to those who earn below a set weekly amount and provide at least 35 hours a week care to people on the highest two levels of Disability Living Allowance care component, either rate of the Personal Independence Payment daily living component or either rate of Attendance Allowance. There is no age limit for Carers Allowance. Additions for a spouse or civil partner may be included for those who claimed before April 2012.

Disability Living Allowance (DLA)

Paid to some ill or disabled people who claimed before they were 65. It is made up of two components: A **care component** for people who need attention or supervision or can't cook a main meal due to an illness or disability, and a **mobility component**, for example for people who have problems walking or need supervision while walking or have a certain level of blindness. There are three rates of payment of the care component and two rates of the mobility component.

From April 2013, Personal Independence Payment (PIP) replaced DLA for new claims from those aged 16 or who were born after 8 April 1948 (aged 65). No new DLA claims were possible for people of that age since then and from January 2015, those on DLA had to claim PIP instead if they reported a change in circumstances, they near the end of their DLA award or they reach 16. **DLA is still available to children under 16.** At some stage, remaining claimants of the above age on long term or indefinite awards of DLA will be told their DLA is stopping and invited to claim PIP. Those born on or before 8 April 1948 can keep and renew their DLA and will not have to claim PIP.

Industrial Injuries Benefits

For employees who were injured at work or who have a prescribed industrial 'disease' due to certain kinds of work which results in a certain level of disability. There are various allowances including **Disablement Benefit** and **Reduced Earnings Allowance** where the amount of benefit paid depends on the percentage of disability and when it occurred.

Maternity Allowance

Paid for up to 39 weeks to recently employed or self-employed women who are pregnant, have recently given birth and do not qualify for Statutory Maternity Pay (below). There are two different rates of allowance depending on earnings. Employed women can get 52 weeks of **Maternity Leave**. See Shared Parental Leave and Pay below.

Personal Independence Payment (PIP)

Payable to some ill or disabled people aged 16 to their pension age (before 6 December 2018, it was before 64 years old). See above about how it is replacing Disability Living Allowance for adults. It is made up of two components: a **daily living component** for people who have problems managing everyday life, and a **mobility component** for help with getting around – with each component is paid at two different levels. This depends upon information provided by the claimant, a medical assessment, scoring enough points under each component and how long the needs have been for.

Severe Disablement Allowance

Abolished from 6 April 2001. Existing claimants continue to get it. It was paid to those who were incapable of work but did not qualify for Incapacity Benefit. Replaced by ESA as for Incapacity Benefit. See above.

Statutory Sick Pay

Paid by employers to some employees who are incapable of work for 28 weeks or less. To qualify a person must be earning over a certain level.

Statutory Shared Parental Pay (SSPP)

Mothers can choose to give up their Statutory Maternity Pay, Maternity Allowance or Statutory Adoption Pay to make it available for their partner. See also 'shared parental leave' below.

Statutory Maternity Pay

Paid for up to 39 weeks by employers to some employees who have been employed for 26 weeks, are pregnant or who have recently given birth and their earnings are at a certain level. It can start from 11 weeks before the baby is due or later. Maternity Allowance may be payable if Statutory Maternity Pay is not. Employed women can get 52 weeks of **Maternity Leave**. See also Shared Parental Leave and Statutory Shared Pay below.

Statutory Paternity Pay

Paid by employers to some employees whose spouse/partner has either given birth or who have adopted a child. The employee must have been employed for at least 26 continuous weeks ending with the 15th week before the baby is due or 26 weeks ending with the week when notified that he has been matched with a child for adoption. Ordinary Statutory Paternity Pay is paid for a maximum of two consecutive weeks. You may also get Paternity leave for two weeks. Other rules apply. See also Shared Parental Leave and Statutory Shared Pay below.

Statutory Adoption Pay

Paid for up to 39 weeks by employers to some employees who have adopted a child. The employee must have been employed for at least 26 continuous weeks ending within the week when notified that s/he has been matched with a child for adoption. A man cannot claim both Statutory Paternity Pay and Statutory Adoption Pay. See also Shared Parental Leave and Statutory Shared Pay below.

Shared Parental Leave and Statutory Shared Parental Pay

Couples are allowed to share up to 50 weeks of maternity and adoption leave and up to 37 weeks of pay for new babies or adoptions that are due on or after 5 April 2015. They must be taken between the baby's birth and first birthday (or within one year of adoption). Other rules apply, such as being an employee for at least 26 weeks with the same employer and so on.

This applies to parents in work, new babies, adoption, same sex couples, co-habiting couples. The child can be from a previous relationship.

For more details see: www.gov.uk/shared-parental-leave-and-pay/overview

Parental bereavement leave and pay

From April 2020, employees who suffer the death of a child aged under 18 years old, or a stillbirth after 24 weeks of pregnancy, will be entitled to two weeks of leave and pay if they meet certain rules.

War Pensions/Armed Forces Compensation Scheme

For people who are either injured or disabled whilst working or serving in the armed forces. It can also be paid to widows/widowers of those who have served or worked in the armed services. There are various allowances similar to Industrial Injuries Benefits. War Pensions were replaced by the [Armed Forces Compensation Scheme](#) in April 2005 but existing recipients are protected.

For more details, phone the Veterans UK helpline on 0808 1914 2 18 or see: www.gov.uk/government/organisations/veterans-uk

Overlapping benefit rule

Some **non-means tested** benefits exist to compensate for a person's inability to work through unemployment, sickness, pregnancy or old age. Therefore, even though you may satisfy the rules for more than one of the following benefits, you are only entitled to receive one of them or a combination.

Contributory benefits:

Contribution-based Jobseekers Allowance

Incapacity Benefit

Contributory Employment and Support Allowance

Maternity Allowance

State Retirement Pension

Widow's or Bereavement Pension or Widowed Mother's or Widowed Parent's Allowance

Non-contributory benefits:

Severe Disablement Allowance

Carer's Allowance

A contributory benefit is paid in preference to a non-contributory benefit. This is topped up by any balance of the non-contributory benefit due. For example, a person satisfies the rules for both Retirement Pension and Carer's Allowance. If the Retirement Pension were £20 and the Carer's Allowance £67.60, there would be a combination of £20 Retirement Pension and £47.60 of Carer's Allowance. But if the Retirement Pension were higher than Carer's Allowance then no amount of Carer's Allowance would be payable.

These benefits also 'overlap' with dependants' additions. For example, a wife will not get a dependant's addition on her Retirement Pension for her husband if he is also getting Retirement Pension.

In addition, Attendance Allowance and Disability Living Allowance care components overlap with Constant Attendance Allowance (part of Disablement Benefit).

An example of how this plays out is for people with disabilities and their carer. To get the Severe Disability Premium (SDP) worth £67.30 a week in for example their ESA, one rule is that no one **receives** Carers Allowance for caring for them. If a carer claims and satisfies Carers Allowance rules, they may not **receive** Carers Allowance because they get another overlapping benefit like Retirement Pension. This means the person they care for continues to get the SDP (because no one **receives** the Carers Allowance). Plus, the carer can have a 'carers premium' included in their means tested benefit because even though they don't receive Carers Allowance they have an *underlying entitlement* to it.

2) Means Tested Benefits

Also known as 'income related benefits', these benefits are affected by most types of income and often capital (savings) but do not depend on National Insurance contributions. The amount involves a calculation. The basic principle is as follows:

Capital (savings)

For many means-tested benefits there are various upper and lower capital limits. For example, Housing Benefit and Universal Credit are not payable for someone with capital of £16,000 or over but capital below £6,000 (or £10,000 if in a care home) is ignored. The 'tariff income' rule: For every £250 between the upper and lower limit, the claimant is treated as having a £1 a week income. It is £500 for people above pension age (see general principles below). Tax Credits do not have capital limits but take into account income generated from some capital. There is no upper limit for Pension Credit.

The calculation

Means-tested benefits are calculated by comparing a claimant's 'means' (income) with a total amount allowed for their circumstances, such as numbers in the family and entitlement to extra 'premiums' or 'elements'. Each means tested benefit has its own calculation. An example is the Income Support calculation below. Of course, there are many other rules. For example, there are different income and capital rules for those below and above pension age. Working age means tested benefits are capped at a set limit called the 'benefit cap' but there are exemptions.

Council Tax Support

Paid to help people aged 16 or over on a low income to pay their Council Tax. Administered by the local authority. In 2013, Councils had to devise their own scheme for working age people (see 'general principles' below). The Council Tax bill can also be reduced by for example, a 'disability reduction' or a 'discount.' Council Tax Support is not replaced by Universal Credit so must be claimed separately.

Housing Benefit (HB) and Local Housing Allowance (LHA)

Paid to help tenants aged 16 and above to pay their rent. It can be paid with other benefits and is administered by the local authority. Different rules apply if you are working age or pension age. Temporary absences from home are ignored for 4, 8, 13 or 52 weeks depending on the circumstances. A new period of absence may start if you return home for a short stay, may be even for 24 hours. Sometimes it can be paid for two homes.

In some cases, the rent that is 'eligible' for Housing Benefit is restricted which could mean the tenant has more rent to pay because the actual rent charged by the landlord is higher than the 'eligible rent'. The rules depend on whether you live in a private tenancy in which case the Local Housing Allowance rules may apply, or you live in 'social housing' such as council or housing association. For example, Local Housing Allowance limits eligible rent

according to numbers in the household and other circumstances and uses 'average' rents in an area. For example, a single under 35-year-old may only get LHA help with the average cost of a bedsit, even if s/he is in a more expensive one bedroomed property but there are many exceptions. For social housing tenants of working age, the eligible rent is reduced by 14% or 25% if they are deemed to have one or more 'spare bedrooms' - known as the "bedroom tax". If a 'non-dependant' (e.g. a grown-up son or daughter) lives in the house then Housing Benefit may be reduced, called a 'non-dependant deduction'.

If entitled to Income Support, Income related ESA, Income based JSA or Pension Credit (guarantee), there is usually a 'passport' to 100% HB of 'eligible' (see above) rent, minus any non-dependent deductions. If not, HB is claimed separately, and the amount of HB is reduced by a taper.

Universal Credit is replacing Housing Benefit for working age people – where the help with rent is part of the Universal Credit calculation and is called the 'housing costs element'. It shares some similar rules as HB such as restrictions to 'eligible rent' described above. Non-dependent deductions are called housing costs contributions. Universal Credit does not help with 'specified' or 'temporary' accommodation costs for which HB remains payable, where the resident would get a combination of UC for themselves and HB for the rent. See Universal Credit below.

Housing Benefit and Universal Credit may be reduced due to the household benefit cap limit – mentioned above.

Discretionary Housing Payments can be claimed from the Local Authority if you get HB or Universal Credit housing costs and in hardship.

Income based Jobseeker's Allowance (JSA)

This is the means tested part of JSA. See Contribution-based JSA above for general rules about JSA. It can be paid if Contribution-based JSA is not payable or as a top up of it. For some couples, both have to satisfy the labour market conditions and make a joint claim. Help with mortgage costs was replaced by a private loan from April 2018. Income based JSA has been replaced by Universal Credit for most new claims. See Universal Credit below.

Income related Employment and Support Allowance (ESA)

This is the means tested part of ESA which replaced Income Support for those incapable of work from 27 October 2008. See Contributory ESA above for general rules about ESA. It can be paid if contributory ESA is not payable or as a top up of it. Help with mortgage costs was replaced by a private loan from April 2018. Income related ESA has been replaced by Universal Credit for new claims. See Universal Credit below.

Income Support

Paid to working age people who have a low or no income and are not receiving ESA or JSA or not yet claimed Universal Credit. It can be claimed by people who do **not** have to be available for and actively seeking work, such

as those on Statutory Sick Pay, carers, lone parents who have a child under 5 years old or under 18 and have a child of any age, pregnant with 11 weeks to go, had a child in the last 15 weeks or in education or training under limited circumstances and so on. It can be paid as a sole form of income or as a 'top up' to other incomes or benefits. Help with mortgage costs was replaced by a private loan from April 2018. Many people claiming Income Support have to attend a work focused interview. Income Support has been replaced by Universal Credit for most new claims. See Universal Credit below.

The Income Support calculation is as follows: These two elements are added together: (1) 'personal allowances' depending on age etc and (2) 'premiums' which are various amounts for different circumstances such as in receipt of a disability benefit, certain carers etc. The total of these are compared with their income. If income is lower, then the difference is payable as Income Support.

Pension Credit

There are two kinds of Pension Credit, which can be paid at the same time:

Guarantee credit. Payable from a person's 'Pension Credit age' (see 'general principles' below). For couples, both need to be of Pension Credit age otherwise they have to claim Universal Credit. Its calculation is similar to Income Support but is more generous. Help with mortgage costs was replaced by a private loan from April 2018.

Savings credit. Savings Credit is being phased out but may still be payable for those aged 65 or over and reached pension age by 6 April 2016. It's aim is (was) to reward people who had saved for retirement with for example, an occupational pension or savings.

Tax Credits

Tax Credits are administered by HMRC and are calculated and reassessed annually from April. Universal Credit has replaced Tax Credits for most new claims. There are two types of Tax Credits:

Working Tax Credit (WTC). For people who work a certain number of hours (*relaxed during coronavirus*) and are in various situations. For example:

- You work at least 16 hours a week and have a 'qualifying' disability. In a couple it must be the worker
- A lone parent working at least 16 hours a week
- Single, aged 60 or over and work at least 16 hours a week
- A couple with children and work at least 24 hours a week. It is 16 if a partner is ill or in hospital etc.
- Single, aged 25 or over and work at least 30 hours a week.
- Single people under 25 may only qualify under the first two bullets above.

Child Tax Credit (CTC). For people who have a child or children. Both credits are claimed on the same form and payable together. A child element is not awarded for third or subsequent children born on or after 6 April 2017, but exceptions apply.

Universal Credit

Universal Credit is replacing these six 'means tested' or 'legacy benefits' for people of 'working age' (see general rules below): Housing Benefit, Income based JSA, Income related ESA, Income Support, Child Tax Credit and Working Tax Credit. Universal Credit is payable for similar reasons as those 'legacy benefits'.

- Those on 'legacy benefits' who have a certain change in circumstance, will be told they have to claim UC, called 'natural migration'. See our [table](#) explaining when you have to claim UC and when you don't.
- Those still on legacy benefits by sometime in the future will be told they must claim UC in a process called 'managed migration'

How much is payable depends upon a means test calculation comparing family needs and housing costs with income and earnings. The amount could be more or less than 'legacy benefits' they may have been on. If someone's 'legacy benefits' are higher than Universal Credit when they are moved across under 'managed migration', they may get a frozen top up. This 'transitional protection' can be lost with certain changes, such as couples separating. But those who have to claim Universal Credit under 'natural migration' will not get this transitional protection. Some disabled people getting the 'severe disability premium' in their 'legacy benefit(s)' were protected from this drop because between 16 January 2019 and 26 January 2021, they were not able to claim Universal Credit and legacy benefits remained available. Since 27 January 2021 they can claim Universal Credit with an additional transitional amount.

'Run-on'. When someone on Housing Benefit, Income based JSA, Income related ESA or Income Support claims Universal Credit those benefits will continue for two weeks called a 'run-on'.

A 'two child limit' rule applies as it does with Child Tax Credit – see above.

Some of the restrictions to help with rent under Universal Credit, such as the 'bedroom tax' are similar to those in Housing Benefit above. There are also rules about help with two homes and temporary absences.

The main differences with the 'legacy benefits' that UC replaces include:

- Help with rent will normally be paid to the claimant rather than the landlord
- Monthly payments in arrears rather than two weekly payments
- Payment to one person in a couple
- On-line claim and management of the award
- Increased work conditionality for more people in the claim, see below

Those who may have budgeting, IT or other problems may be offered:

- 'Alternative Payment Arrangements' which allow temporarily paying the housing costs element direct to the landlord, more frequent than monthly payments and split payment for couples.
- Personal budgeting support provided by debt advisers
- 'Help to claim' by Citizens Advice and councils for those without computers or IT skills. See below.

Universal Credit includes increased work-related conditionality for those working and earning under a certain threshold and some partners of the claimant. In other words, those not working full time. Levels of work-related requirements and signing a 'Claimant Commitment' are a condition of entitlement and is identified at the claim stage and can be reconsidered during the award. Universal Credit is reduced for non-compliance with work related requirements, called a 'sanction.' So, it is important to make sure the Claimant Commitment is suitable and accurate. Sanctions run consecutively rather than concurrently as with 'legacy benefits'. A hardship payment may be payable during a sanction but unlike 'legacy benefits', it is a loan, repayable at the end of the sanction period.

Claims for Universal Credit must be made online. Following a claim, an interview will be arranged where the claimant commitment is agreed. It may take several weeks or more before the monthly in arrears payment starts. A Universal Credit Advance Payment can be requested if there is hardship on day one of the claim.

More details on Universal Credit from these websites:

- The Government: www.gov.uk/universal-credit and more detailed guidance: www.gov.uk/universal-credit-toolkit-for-partner-organisations
- Citizens Advice: www.citizensadvice.org.uk/benefits/universal-credit/
- Disability Rights UK: www.disabilityrightsuk.org/universal-credit-uc
- Newcastle City Council: www.newcastle.gov.uk/universalcredit.

3) Other help: one-off and weekly payments, help with work

One-off payments and other help

Here are some examples. Unless stated, these are administered by the DWP.

Social Fund grants

For people on certain benefits:

- Cold Weather Payments – made in periods of exceptionally cold weather
- Sure Start Maternity Grant – £500 for those who are pregnant or had a baby and have received health and welfare advice.
- Funeral Expenses Payment – help with some funeral costs for close relatives on a low income
- Winter Fuel Payments – annual payment for people of pension age.

Social Fund budgeting loans

Are repayable, interest free loans for 'one-off' expenses such as a cooker for those who have been on Income Support, income based JSA, income-related ESA, Pension Credit (Guarantee) for at least twenty-six weeks.

Universal Credit budgeting advances

'Budgeting advances' are extra amounts of Universal Credit to help with certain one off expenses such as essential furniture, getting or keeping a job and so on. They are repayable interest free loans for those receiving Universal Credit, have been on it or 'legacy benefits' (described above) for at least six months, earn below a set amount and be able to repay it.

Short term benefit advances / Universal Credit advance payment

A repayable loan made by Jobcentre Plus if there is a delay in:

- dealing with a claim for certain benefits you are likely to be entitled to, or
- paying benefit

And because of the delay there is a financial need, with a serious risk to health. It does not apply to all benefits such as PIP, Child Benefit or Housing Benefit.

Interim payments of Child Benefit and Guardian's Allowance

A loan by HMRC if payments of those benefits are delayed. Details:

www.gov.uk/hmrc-internal-manuals/child-benefit-technical-manual/cbtm03070

Housing Benefit and help with rent

- **'Interim payments'** or **'payments on account'** may be payable to private or housing association tenants whilst the Local Authority assesses someone's Housing Benefit but note UC has replaced HB for most new claims. Details:

https://england.shelter.org.uk/housing_advice/housing_benefit/getting_payment_on_account

- **Discretionary Housing Payments.** See Housing Benefit in section C)2

Local Welfare Schemes

In April 2013, two parts of the Social Fund – Community Care Grants and Crisis Loans – were abolished and were replaced by Local Authorities' local welfare schemes. Newcastle provides these two schemes:

- **Supporting Independence Scheme**
claimed via a support worker for people who need help to set up, resettle or remain in the community or maintain their independence. More details: www.newcastle.gov.uk/sis
- **Crisis Support Scheme**
which provides food, fuel and clothing to residents who have suffered a crisis or disaster.
More details: 0191 278 7878 or www.newcastle.gov.uk/css

Health costs

These include free, or help towards costs with,

- prescriptions
- glasses
- dental treatment
- Travel costs to get treatment

Some people are automatically exempt from charges and others have to apply for help on low income grounds. More details: www.nhs.uk/healthcosts

Healthy Start

Milk, vitamins and food vouchers for pregnant women or mothers and on certain benefits. More details: www.healthystart.nhs.uk

Education Benefits

- Free school meals – for children of families receiving Income Support, Pension Credit guarantee, income-based JSA, income related ESA or Child Tax Credit (where not entitled to Working Tax Credit and annual

income is below a set figure) and Universal Credit (after an earnings threshold).

- Bursaries are available for some young people aged 16 to 19 staying on at school or on certain courses.
- Adult Learning Grant to help 19-year olds and over in education.

More details from school and www.newcastle.gov.uk/education-and-learning or www.gov.uk/student-finance

Charities

These websites list charities that help people in financial need:

- www.charitychoice.co.uk/ – Directory of charities
- www.turn2us.org.uk/ – Charities, benefit calculator & information
- www.familyholidayassociation.org.uk/ – Help for families
- www.britishgasenergytrust.org.uk/ – Helping people in fuel poverty

Foodbanks in Newcastle

www.informationnow.org.uk/article/food-banks-in-newcastle/

See also the 'Debt and money advice' pages on the City Council website:

www.newcastle.gov.uk/welfare-rights

Help when starting work

Extended payments of Housing Benefit

You can get Housing Benefit whilst in work. Where people stop getting Income Support or income based JSA or income related ESA because they have got a job or increased hours or pay, their Housing Benefit continues at the same rate for an extra four weeks.

Rapid reclaim and run-ons

There is also a 'rapid reclaim' system for people on JSA who try a job but it ends within 26 weeks. [Details](#). If your hours drop below the normal Working Tax Credit number required your WTC continues for 4 weeks.

Other work schemes

There are many activities to help people back into work. For example, Jobcentre Plus has Work Coaches, Disability Employment Advisers, Access to Work and the Work and Health Programme to help people with disabilities or health problems disabled people into work. More details:

www.gov.uk/moving-from-benefits-to-work

See also the section 'work' below

4) Table of benefits

Paid by the DWP unless specified.

Non-means tested		Means tested
Contributory	Non-contributory	Child Tax Credit (HMRC) ^{WA U}
Bereavement Allowance ^T	Attendance Allowance	Council Tax Support (local council)
Contributory Employment and Support Allowance (from 2008) ^{T WA}	Carer's Allowance ^T	Education Benefits (local council)
Incapacity Benefit (no new claims from 2008) ^{TT WA}	Child Benefit and Guardians Allowance (HMRC)	Income related Employment and Support Allowance (from 2008) ^{WA U}
Contribution-based Jobseeker's Allowance ^{T WA}	Disability Living Allowance	Health costs (Health Service)
Retirement Pension ^{T PA}	Industrial Injuries Benefits	Housing Benefit and Local Housing Allowance (local council) ^U
Widowed Parents Allowance ^T	Maternity Allowance	Income Support ^{WA U}
Widowed Mothers Allowance and Widows Pension (no new claims from 2001)	Personal Independence Payment	Income based Jobseeker's Allowance ^{T WA U}
	Severe Disablement Allowance (no new claims from 2001) ^{WA}	Pension Credit ^{PA}
	Statutory Adoption Pay (employer) ^T	Social Fund
	Statutory Maternity Pay (employer) ^T	Working Tax Credit (HMRC) ^{WA U}
	Statutory Paternity Pay (employer) ^T	Universal Credit ^{WA}
	Statutory Shared Pay	
	Statutory Sick Pay (employer) ^T	
	War Pensions/Armed Forces Compensation Scheme (MOD)	

T = Taxable, TT = taxable after 28 weeks, WA = working age benefit, PA = pension age benefit. U = replaced by Universal Credit.

D) Some general principles

1) General benefit rules

There are some rules that are shared by all or most of the benefits. Rather than list them under each benefit, they are described briefly here.

Immigration and residence rules and going abroad

Most benefits are subject to immigration status or residence restrictions. For example, some people's entry into the country is on the basis that they will have no 'recourse to public funds' which include many benefits. To claim benefits in this situation may seriously jeopardise their stay here. For most benefits a claimant must satisfy certain residence conditions. There are also complicated rules and limitations on claiming benefits for those from the EU and EEA, which changes from January 2021 such as the EU Settlement Scheme.

Some benefits can be paid whilst abroad but some will stop after being abroad after a certain time.

Studying

The scope for claiming means-tested benefits whilst studying is restricted. Some of it depends on whether the course is full or part time and how old a person is. It is easier to get benefits if studying part time. Most full-time students are excluded from some benefits but there are exemptions, such as a student with disability or lone parent. There are no such restrictions for Child Tax Credit. 'Full time' students cannot claim Carer's Allowance.

Hospital, residential care, prison and homeless

Some benefits reduce or stop after a person has been in **hospital** for certain lengths of time. For example, Personal Independence Payment stops after 28 days in hospital. Housing Benefit can continue for 52 weeks whilst in hospital. However, many others continue but the amount may change. It is important to notify the benefit office of a stay in hospital and residential care to avoid an overpayment.

Some benefits are affected by **residential care**. For example, Attendance Allowance stops after 28 days unless the person is funding the accommodation themselves. Other benefits may continue.

People in **prison** or on **remand** may have restrictions on their benefits and other special rules apply.

Income Support, income related ESA, income based JSA (but not Universal Credit or Pension Credit or non means tested benefits) are paid at a reduced rate for people '**without accommodation**'. There may be problems with payment of benefit and proving availability for work, although the Jobcentre can take it into account.

Trade dispute

Certain benefits are stopped or reduced or affected in some way if a person is involved in a trade dispute

Work

Many benefits are affected by employment. Some of the rules are explained under each benefit, but here are some general points:

- Carer's Allowance is not payable if earnings are above a certain amount.
- Although generally ESA is not payable whilst working, some limited work is allowed. For example, work as a local councillor, the care of a relative and the 'permitted work' rules allow for certain hours of work and wages in specific circumstances.
- People can receive PIP, DLA and AA and still work. Income Support and income based JSA are not payable if in full time work (16 or more hours a week and 24 hours for a partner). However, WTC is only payable if a person is in full time work (16, 24 or 30 hours a week). Earnings are taken into account by means-tested benefits and some non means-tested benefits.
- Universal Credit or Housing Benefit have no hours limits, although earnings are taken into account as income.
- People who are classed as incapable of work may be entitled to benefits like Statutory Sick Pay and ESA or Universal Credit.

Also see the section above on 'help when starting work'.

Work related requirements and sanctions

Many means tested benefits have various levels of work-related requirements. For example JSA requires the claimant to be available for full time work, actively seek full time work and agree to take part in work and work related activities, which may be mandatory.

Claimants on Income Support and ESA (and their partners) may be expected to take part in 'work focused interviews'. ESA claimants in the Work Related Activity Group are also expected to take part in 'work related activities'.

Some have no work requirements such as some carers, those in the ESA Support Group or UC equivalent.

Universal Credit has similar levels of work-related requirements ranging from full to none at all.

Such requirements are agreed at the 'Claimant Commitment' interview early on in the claim and after, and it is important the claimant explains what s/he reasonably can and can't do. A claimant commitment can be reviewed. For example, if reading English is a problem, then he or she may get sent to English classes. If a claimant does not meet these requirements, they will be **sanctioned** where their benefit is either reduced or stopped. If legacy benefits stop it is important to contact the Local Authority to make sure Housing Benefit continues based on 'nil income.' A hardship payment can also be claimed from the Jobcentre during a sanction.

Families, adults and children

What benefits are available, and the amount often depends on whether a claimant is single, one of a couple, married, living together as husband and wife, or in a civil partnership, in a polygamous marriage, has children, is a single parent and so on. Usually, means-tested benefits include a higher amount for couples than for single people. Each benefit has its own rules on this.

Children: There are rules about whether someone (it does not have to be a parent) can claim for children, such as being 'responsible' for the child, how old the child is and whether the child is in full time non-advanced education. Those children who may have left such education or reached a certain age may not be in that category and cannot be claimed for - as they have stopped being 'dependent' – and possibly claim their own benefits. If they remain at home they may be classed as 'non-dependants', which can reduce the Housing Benefit or UC housing costs element of the adult. There are special rules for fostered and adopted children and children in care are generally excluded from means tested benefits but there are exceptions. See section F below for which benefits relate to children. Child Tax Credits and Universal Credit have a two-child limit for children born after April 2017, although exceptions apply.

Age

Benefit rules and amounts depend upon the claimant's age. For example:

- Several benefits and their rules depend on whether the claimant is either 'working age' or 'pension age,' which is determined by their date of birth. For example, someone born on 7 September 1951 reached pension age on 6 March 2013 and was therefore entitled to move from a 'working age' benefit such as Jobseekers Allowance and claim the more generous Pension Credit and also avoid the "bedroom tax". To calculate 'pension age', go to: www.gov.uk/calculate-state-pension. 'Working age' benefits include ESA, JSA, Income Support and Universal Credit. 'Pension age' benefits include Pension Credit, Winter Fuel Payment. Some benefits do not have such a working age/pension age distinction, such as Tax Credits and Child Benefit
- State Retirement Pension age can also be worked out via the above calculator.
- Benefits can be claimed from 16 but 16 and 17 year olds may have to satisfy extra rules to get some means tested benefits.
- DLA can only be claimed for children aged under 16.
- PIP can only be claimed by people aged 16 to below pension age.
- AA can only be claimed from pension age.
- Means-tested benefits are set at different amounts depending on a person's age and if single or a couple. For example, it is lowest for those under 18 and goes up for 25 year olds.
- Single people cannot get WTC unless they are 25 or over and work at least 30 hours a week, or get a disability element.
- The Housing Benefit restriction for under 25's in private tenancies was extended to under 35's in January 2012.

Changes in circumstances

Once a benefit is awarded it can be changed or stopped. For example, PIP may be increased or decreased if the claimant's needs have increased, Child Benefit and CTC may increase if another child has joined the family and benefits will be stopped if it is decided they do not fit the criteria at all. Benefits are also reconsidered periodically to see if they satisfy the criteria. Sometimes the benefits office discovers that someone may be getting a benefit or amount of benefit they are not entitled to. In which case they may want to recover this 'overpayment' and sometimes decide it is fraud. Sometimes a person discovers they should have been getting more benefit, in which case they can ask for the underpaid amount. See 4 and 6 below.

It is therefore very important to inform the benefit office of changes in circumstances and usually in writing – when they occur.

The benefit cap

From 2013, the total of some (not all) household benefits were capped to average wages (£500 for couples and lone parents and £350 for single people). From November 2016, the limits reduced to £385 and £258 with higher amounts in London. The excess above those amounts is removed from Housing Benefit only but if Universal Credit applies, that is reduced by the whole amount of the cap.

The cap does not apply if for example, the claimant or partner is of 'pension age', in the ESA support group or equivalent in UC, if WTC or a disability benefit like DLA or PIP is in payment, on UC and earning above a set amount and from November 2016, certain carers.

2) Administration – who deals with what benefit?

Benefits are administered by different departments, as follows:

- Most benefits are administered by the **DWP**. Within the DWP:
 - Local Jobcentre Plus offices administer most working age benefits such as Income Support, JSA, ESA and Universal Credit,
 - The Pension Service administer State Pension, Pension Credit and Winter Fuel Payments,
 - The Disability and Carers Service administer benefits like DLA, PIP, AA and Carer's Allowance,
 - Regional centres administer Industrial Injuries Benefit
- **Local councils** administer Housing Benefit, Council Tax Support, welfare schemes (that replaced parts of the Social Fund from 2013), education benefits and free school meals.
- **HMRC** administers WTC, CTC, Child Benefit and Guardians Allowance.
- The DWP contract out medical advice and examinations for health-related benefits such as PIP and ESA to companies called Capita, Atos and Maximus.
- **The Veterans UK**, part of The Ministry of Defence, administer War Pensions/Armed Forces Compensation Scheme.
- **Employers** pay Statutory Sick Pay, Statutory Adoption Pay, Statutory Maternity Pay and Statutory Paternity Pay.

The theory is that many offices will take claims for other benefits but they are not obliged to tell claimants about other benefits they do not administer in their office.

3) Contacting benefit offices

There are several ways to contact a benefit office:

NB this may be different during coronavirus

Phone: When phoning, information like a National Insurance number and date of birth is required. Many Jobcentre Plus benefits, like Income Support, are initially claimed over the phone. See below. If the person ringing is not the claimant or is the claimant's appointee, the claimant may need to speak first, or they may need to provide their written authority.

Visiting: As the benefit administrators centralise and cut local offices, it is increasingly difficult to see someone face to face. Much of the work is done in remote offices. However, it is still possible to see someone in a Jobcentre Plus office (usually by appointment) or request a home visit or meet an officer in a local office.

Online: Some offices have email addresses. UC has to be claimed and managed online where communications are sent via the 'journal' and 'to do' parts of the Universal Credit online account.

In writing: Benefit letters usually have addresses people can write to.

4) Claims and payments

Claiming

All benefits have to be claimed in writing. Usually this means filling in a special form – one for each benefit. With benefits, there is an onus on the claimant to provide **all** required information before a claim is accepted as valid. Delays in providing such information can mean a claim lapses.

Claims for many benefits often have to be started by a phone call, which is followed up by a form which has to be completed.

Some benefits can be claimed 'online' such as Carer's Allowance and JSA. Housing Benefit, Council Tax Support, help from the Crisis Support Scheme and Discretionary Housing Payments can be claimed via Newcastle City Council's website <https://www.newcastle.gov.uk/services/benefits>

Universal Credit must be claimed and administered online – although it possible to make a telephone claim. See more details under Universal Credit above.

See the list of benefit office phone numbers and websites in section G below.

There is no onus on any of the benefits authorities to go out and look for people who may be entitled. Many people miss out on benefits they are

entitled to. So as a general rule, a person should claim as soon as s/he thinks s/he might be entitled. It is only possible to get benefit backdated in limited circumstances. See below.

Interchange of claims: A claim for one benefit may be treated as a claim for another. For example, a claim for AA can be treated as a claim for DLA or PIP. There is a limited list but it means that if the wrong benefit has been claimed it may be possible to treat it as a claim for the correct benefit.

Backdating a claim

This is about backdating a new **claim**. For details on changing an existing award and backdating, see 6 below.

There are strict time limits for claiming benefits. Some benefit claims can be backdated to one month for example. Sometimes good cause for a late claim has to be shown. Usually backdating must be requested. Backdating a claim for PIP or AA is not possible. If the DWP make an error on a claim or give wrong advice it may be possible to get benefit backdated beyond the normal time limits. The intervention of an MP or the Ombudsman may help in these circumstances. See also 'backdating beyond the normal time limits' below.

There are other ways to get benefits backdated beyond these limits where benefits or increases of benefits depend on the award of another benefit. For example, getting a claim for Carers Allowance backdated to the date of the claim for PIP. See 'backdating beyond the normal time limits' under 6 below.

Waiting days

Following a claim for JSA or ESA, there is normally no entitlement for the first seven days, unless for example, it is linked to a previous award of other benefits. The ESA seven waiting days was waived due to coronavirus

Payments

How are benefits paid?

Most benefits are paid into a person's bank, building society, credit union or Post Office card account. Post Office Card accounts are being removed November 2021. For those who cannot manage such an account, DWP benefits may be paid by the [Payments Exception Payment](#). Cheques are issued in very limited circumstances. Benefits like Statutory Maternity Pay and Statutory Sick Pay are usually paid with a person's wages. CTC is paid to the main carer of the child.

For Your Homes Newcastle (YHN) tenants, Housing Benefit is paid as a rent reduction. For private or housing association tenants, Housing Benefit is normally paid to the tenant or direct to the landlord if requested or if the tenant is in eight weeks of rent arrears. Help with housing costs is normally included in the single Universal Credit payment – paid to the claimant.

There are some one-off payments for delays in payments. See 'other payments and help' above.

Frequency and length of payments

When and how often benefits are paid depends on the benefit. Some benefits are paid fortnightly in arrears and some are allocated a payday based upon the last two digits of their National Insurance number. Universal Credit is paid monthly in arrears but more frequent payments may be allowed in special circumstances. Payment may be made for an indefinite period until a person's circumstances change or it is reassessed or can be made for a set period, when it can be reclaimed. Examples include PIP and ESA. Payment of DLA, PIP or AA is suspended whilst in hospital.

When are benefit payments reduced?

Payment can be reduced for a number of reasons, such as paying off a loan, deductions for rent or fuel arrears, a fine or work-related sanctions. The 'benefit cap' may reduce the total amount of some benefits paid. See above.

More details on the payment of benefits:

www.gov.uk/how-to-have-your-benefits-paid and
<https://www.citizensadvice.org.uk/benefits/benefits-introduction/payment-of-benefits-and-tax-credits/>

Overpayments

Most benefits

Benefit overpayments occur in a number of ways. For example, if a claimant has a change in circumstances which means s/he is no longer entitled to a benefit or an amount of benefit and this is only discovered some time later. Sometimes the benefit authority makes a mistake and pay too much benefit. When the overpayment is 'discovered' benefit may be re-adjusted or stopped, in which case a new claim may be necessary. Sometimes the overpayment can be 'offset' by another benefit that should have been paid instead. *It is therefore important to inform the benefit office of any relevant changes in circumstances when they occur.*

Some overpayment decisions can be challenged on whether it is recoverable and by how much, depending on the benefit and circumstances. There is less scope to challenge a Universal Credit overpayment. The DWP has the discretion not to recover an overpayment e.g. on hardship grounds.

Housing Benefit overpayments

Are not recoverable if, for example, it was due to 'official error' and the claimant did not contribute to that error and could not have reasonably realised an overpayment was being made.

Tax Credits overpayments

Overpayments (and underpayments) are a built-in feature and consequence of the Tax Credits system of estimated awards and annual reassessments. Overpayments can be recovered in a number of ways, including through pay as you earn tax (PAYE). However, recovery of Tax Credit overpayments can be challenged and may be waived in certain circumstances. More details:

www.revenuebenefits.org.uk/tax-credits/guidance/how-to-deal-with-hmrc/challenging-overpayments/

The Fraud Act

This gives powers to stop or reduce benefit and take people to court or pay a penalty instead from £350 to £5,000. If accused of fraud people should seek advice immediately before making any statements. Fines for offences can range from £350 to £5,000 and or prison. More details: www.gov.uk/benefit-fraud and <https://www.turn2us.org.uk/Benefit-guides/Fraud-Investigations/What-is-Benefit-or-Tax-Credit-fraud#guide-content>

5) Decisions and delays

Once a valid claim for benefit has been made, a decision maker will make a decision and send it in writing to the claimant or electronically for Universal Credit. If not already provided a person can ask for written reasons within one month of being sent the decision and they should be provided within 14 days or reasonable. Compensation may be claimed for payment delays. See 'complaints' below.

One-off compensation payments may be made for delays in decisions. See 'other payments' above.

Tax Credits

Again, the system is different for Tax Credits. A Tax Credit award is usually based on an estimate of the following year's income. Awards are reviewed at the start of every tax year, where the Tax Credit award is reassessed on the basis of that year's **actual** income and a final decision is issued. The initial decision can be reconsidered during the year if the claimant's circumstances change.

6) Challenging decisions and changing awards

There are various ways to get a decision changed. Note there are strict time limits. Here is a brief explanation. See also 'complaints' below.

Challenging most benefit decisions

If unhappy with most benefit decisions, claimants first (apart from Housing Benefit) have to ask the DWP office to reconsider their decision called a '**mandatory reconsideration**' or 'revision.' If unhappy with that decision, an **appeal** can be made to an independent **First Tier Tribunal**, called a '**direct lodgement**.' Both reconsideration and appeal should be done in writing and within one month of the date of the decision. Appeals should include specific information such as the 'mandatory reconsideration' decision, the benefit and the date of the decision being appealed. The one-month time limit can be extended but only for special reasons. The time limit for appealing can be extended by twelve months for special reasons. See below more details about First Tier Tribunals and extending normal time limits.

An appeal can be made without a 'mandatory reconsideration' for Housing Benefit. Benefit offices can reconsider a decision when receiving an appeal.

For more details see:

<https://www.disabilityrightsuk.org/appeals-and-mandatory-reconsiderations>

Challenging Tax Credits decisions

The above mandatory reconsideration and appeal rules apply to Tax Credits. For more details on challenging a Tax Credit decision see:

www.litrg.org.uk/tax-guides/tax-credits-benefits/tax-credits/how-do-i-appeal-a-tax-credits-decision or www.gov.uk/tax-credits-appeals-complaints

An appeal cannot be made about the decision to recover a Tax Credit overpayment (although the amount can). This is challenged through a particular dispute procedure (see 'Tax Credits overpayments' in 4 above).

First Tier Tribunals

- These tribunals consist either of one, two or three members depending on the type of appeal.
- They need not consider issues not in the appeal letter so all the grounds for appeal must be given in the appeal letter.
- They cannot consider changes between the appeal letter and the hearing so a new claim may be necessary if circumstances change.
- An appeal can be heard at a paper or oral hearing. A person is more likely to win if s/he attends an oral hearing, particularly if the appeal concerns a medical issue or disability. *Tribunals have been done remotely during coronavirus*
- Notice of the tribunal's decision is provided in writing. This is usually brief, and a full decision will be provided, if it is requested, in writing, as soon as possible after the tribunal.
- If the appeal is successful benefit may be paid back to an earlier date, such as the original claim.
- If the person disagrees with the tribunal's decision it is possible to appeal to the Upper Tribunal but only on an error of law.
- Some appeals can be done online. Details <https://www.gov.uk/appeal-benefit-decision/submit-appeal>

Challenging Social Fund budgeting loans decisions

Can be made within 28 days by internal review. If unhappy with that decision, the Independent Case Examiner can be asked to look at the decision. See: www.ind-case-exam.org.uk

Changing awards – changes in circumstances

If a person's circumstances have changed since a decision was made then s/he can request their award be looked at. This is called a 'supersession'. For example, a person believes they are entitled to a higher rate of PIP. Equally a decision maker can instigate a supersession, for example if an alleged overpayment has been discovered.

Backdating beyond the normal time limits

Some benefits or increases in benefits (like 'premiums') that are 'dependent' upon entitlement to other 'qualifying' benefits can be backdated beyond the normal time limits to the same date of the 'qualifying' benefit. For example, Income Support (dependent benefit) can be increased by a 'carers premium' due to Carer's Allowance (qualifying benefit), or several means tested benefits can be increased by the 'severe disability premium' due to getting AA, DLA or

PIP and other rules apply. This can mean backdating a claim or backdating an increase of an existing award – beyond the normal time limits. It is particularly useful when it has taken a long time to obtain an award of a ‘qualifying’ benefit. It is advisable to notify the benefit office of the claim for the ‘qualifying’ benefit – even if the ‘dependent’ benefit depends on getting the ‘qualifying’ benefit. Then, if or when the ‘qualifying’ benefit is awarded, notify/make a ‘claim’ for the ‘dependent’ benefit/increase – within three months. The situation is similar with Carers Allowance which depends on an award of AA or a certain level of DLA or PIP. So long as it is claimed within 3 months of a decision for one of those benefits it will be backdated to the date they were awarded to.

If an ‘official error’ by the benefit administrator can be shown, any missed benefit should be backdated to the date of the error beyond any time limits – whenever that was. This is called an ‘official error revision.’

7) **Complaints**

The above describes the formal ways of challenging decisions. However, the claimant may complain about the way his/her case is dealt with or wish to get a quicker decision or to have something properly taken into account. Usually the first step is to ring or write to the office dealing with the benefit. Here are some ways a claimant can try to resolve a problem.

How to complain to the Jobcentre: www.gov.uk/complain-jobcentre-plus

The DWP ‘Compensation for poor service: staff guide’:
www.gov.uk/government/publications/compensation-for-poor-service-a-guide-for-dwp-staff

Tax Credits guide: ‘Appeals and complaints’:
www.gov.uk/tax-credits-appeals-complaints/complaints

If the matter cannot be resolved with the benefit office:

- The Independent Case Examiner hears complaints about the Jobcentre Plus and Social Fund Budgeting loans www.ind-case-exam.org.uk
- A person’s Local MP can be asked for help. See: <http://findyourmp.parliament.uk/>
- The Ombudsman can be contacted (via an MP) once the internal review/complaint procedure is ‘exhausted’. See: www.ombudsman.org.uk

8) **Emergencies**

See C3 above for one off payments and help.

E) Useful information, contacts and advice

DWP and HMRC information

The Government provide these websites which explain the benefit rules, on how to claim the benefits and how to contact them.

- www.gov.uk/browse/benefits
- www.gov.uk/browse/benefits/tax-credits
- www.hmrc.gov.uk/childbenefit/

For useful benefit office telephone numbers, see section G below and also www.newcastle.gov.uk/welfarebenefits

Independent help - local and national

Newcastle has a number of advice agencies that may advise residents. They are described in the document “Where to get Advice in Newcastle” which is available on the website: www.newcastle.gov.uk/benefitcontacts. They may also be found on the website www.informationnow.org.uk/

Several **national** organisations provide independent benefit information on their websites, such as:

- <http://disabilityrightsuk.org/>
- www.turn2us.org.uk/
- www.citizensadvice.org.uk/
- www.entitledto.org.uk

Many national organisations have benefit information relating to the group of people they support, such as:

www.carersuk.org/help-and-advice
www.ageuk.org.uk/money-matters/

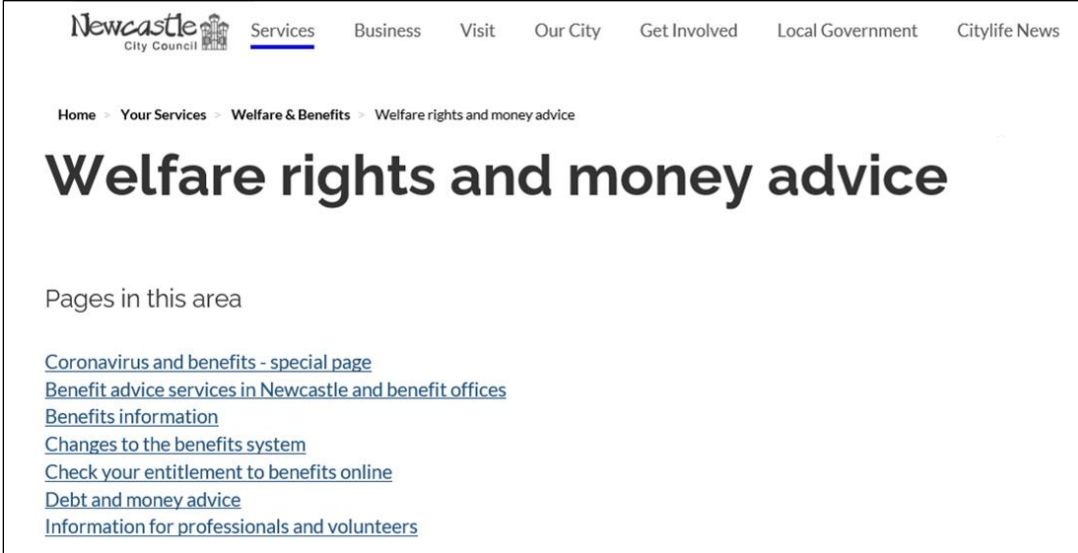
Independent reference material

- National Welfare Benefits Handbook. Covers all benefits in detail. Produced by the Child Poverty Action Group (CPAG).
www.cpag.org.uk/
- Disability Rights Handbook. Produced by the Disability Alliance.
www.disabilityrightsuk.org

Newcastle welfare rights and money advice website

The Active Inclusion Service website has benefit, debt and money information, including benefit rules and changes, independent advice, useful contacts, factsheets, help for professionals and sign up for a Benefit Bulletin.

www.newcastle.gov.uk/welfarerights



The screenshot shows the Newcastle City Council website. The header includes the Newcastle City Council logo and navigation links: Services, Business, Visit, Our City, Get Involved, Local Government, and Citylife News. The breadcrumb trail reads: Home > Your Services > Welfare & Benefits > Welfare rights and money advice. The main heading is 'Welfare rights and money advice'. Below this, there is a section titled 'Pages in this area' with a list of links: Coronavirus and benefits - special page, Benefit advice services in Newcastle and benefit offices, Benefits information, Changes to the benefits system, Check your entitlement to benefits online, Debt and money advice, and Information for professionals and volunteers.

Some consultancy lines and email contacts – for professionals

Provided by Active Inclusion Newcastle

- Housing Advice Centre, Mon-Fri 8:30-12 & 1-4:30
0800 1707 008 / housingadvicecentre@newcastle.gov.uk
- Reporting concerns about suspected rough sleepers, Mon-Sun
0191 278 3899 / roughsleeping@newcastle.gov.uk
- Welfare Rights Service consultancy, Mon-Fri 10-12
0191 277 2633 / welfare.rights@newcastle.gov.uk
- Debt advice consultancy, Mon-Fri 8:30-4:30
0800 1707 008 / moneymatters@newcastle.gov.uk
- Financial inclusion, Mon-Fri
financialinclusion@newcastle.gov.uk
- Supporting Independence Scheme & Gateway, Mon-Fri 10-4
gateway@newcastle.gov.uk

F) Who can get what benefit? A checklist

Here are some benefits a person may wish to claim under the following situations. Other benefits may also apply. In some cases they can claim more than one benefit at the same time. Bear in mind the interaction between benefits and the overlapping benefits rule in section C.

Bereaved/death

Bereavement Benefits
Council Tax Support
Health and Welfare Benefits
Housing Benefit/Jobseeker's Allowance/Income Support/Pension Credit/Universal Credit
Social Fund – funeral payment
War Pension/Armed Forces Compensation Scheme

Carer

Carer's Allowance
Jobseeker's Allowance/Income Support/Employment and Support Allowance/Universal Credit/Pension Credit (including carer's element)
Housing Benefit (carers element)
Council Tax Support
See also 'disabled children' and adults below

Children and young people

Child Benefit
Child Tax Credit
Council Tax Support
Housing Benefit
Guardians Allowance
Education Benefits
Health and Welfare Benefits, milk, vitamins/Healthy Start
Jobseekers Allowance/Income Support/Pension Credit
Working Tax Credit (including childcare element)
Universal Credit (including childcare costs)
See also 'pregnant/adopting' below

Disabled child(ren)

Disability Living Allowance (child under 16) and Personal Independence Payment (from 16)
Child Benefit
Child Tax Credit (disabled child element)
Housing Benefit (disabled child premiums)
Universal Credit (disabled child additions)
See also 'children' above

Ill/disabled, care/mobility needs – adult

Attendance Allowance/Disability Living Allowance/Personal Independence Payment and connected Motability
Incapacity Benefit or Severe Disablement Allowance or Employment and Support Allowance or Universal Credit

Industrial Injuries Benefits
Health and Welfare Benefits
Housing Benefit (disability premiums)
Council Tax Support
Pension Credit (disability addition)
Statutory Sick Pay
Vaccine Damage Payments
War Pensions/Armed forces Compensation Scheme
Working Tax Credit/Universal Credit disability elements

Injured at work

Industrial Injuries Disablement Benefits
See also ill/disabled

Low/medium waged

Income Support/income related Jobseekers Allowance (less than 16/24 hours a week)
Working Tax Credit (normally 16/24/30 or more hours a week)
Housing Benefit (any hours)
Council Tax Support
Child Tax Credit
Health and Welfare Benefits
See benefits in work section above
Permitted work rule for Employment and Support Allowance
Universal Credit

Moving into work

Back to Work benefits
Child Tax Credit
Council Tax Support
Health and Welfare Benefits
Housing Benefit
Working Tax Credit
Universal Credit

One-off needs or in financial hardship

Social Fund, local welfare schemes (e.g. Crisis Support Scheme),
Discretionary Housing Payments and charities

Owner occupier

Income based Jobseeker's Allowance/Income Support/Income related
Employment and Support Allowance/Pension Credit/ Universal Credit in the
form of a loan

Pregnant/adopting a child

Social Fund (Maternity Grant etc)
Statutory Adoption Pay
Statutory Maternity Pay, Maternity Allowance, Shared Statutory Parental Pay
Statutory Paternity Pay
See 'children' above

Pension age

Pension Credit (pension age or above)
Council Tax Support
Housing Benefit
Health and Welfare Benefits
Retirement Pension
Winter Fuel Payment

Single parent

Child Benefit
Child Tax Credit
Council Tax Support
Education Benefits
Guardians Allowance
Health and Welfare Benefits
Housing Benefit
Income Support/income-based Jobseeker's Allowance
Universal Credit

Travel to hospital

To get treatment – Health Service

Unemployed

Contribution-based Jobseeker's Allowance
Council Tax Support
Education Benefits
Health and Welfare Benefits
Housing Benefit
Income based Job Seeker's Allowance
Universal Credit

Without children

Council Tax Support
Health and Welfare Benefits
Housing Benefit
Income Support/income based Jobseeker's Allowance/Universal Credit
Working Tax Credit

G) Benefits administrators and contact details

Many now include a [Video relay service](#) for British Sign Language (BSL) users – [check you can use this service](#). All below are DWP unless stated

The Pension Service: Provides access to pensions, benefits and retirement information	0800 731 7898 www.gov.uk/find-pension-centre
State Pension forecast	0800 731 0175 http://www.gov.uk/future-pension-centre
State Pension claim line: Free phone line	0800 731 7898 (Textphone: 0800 731 7339) https://www.gov.uk/get-state-pension
Pension Credit claim line: Free phone line	0800 991 234 (Textphone: 0800 169 0133) https://www.gov.uk/pension-credit/how-to-claim
Pension Tracing Service: Lost track of a personal or company pension scheme?	0800 731 0193 (Textphone: 0800 731 0176) www.gov.uk/find-lost-pension
DWP Leaflet Line: (under 50 copies)	https://www.gov.uk/government/collections/dwp-leaflets-and-how-to-order-them
Disability Living Allowance helpline	0800 121 4600 (Textphone: 0800 121 4523) www.gov.uk/dla-disability-living-allowance-benefit
Attendance Allowance helpline	0800 731 0122 (Textphone: 0800 731 0317) www.gov.uk/attendance-allowance
Winter Fuel Helpline: Information and advice	0800 731 0160 (Textphone: 0800 731 0176) www.gov.uk/winter-fuel-payment
Help with Health Costs advice line (NHS)	0300 330 1343. https://www.nhs.uk/nhs-services/help-with-health-costs/
Personal Independence Payment claim line	0800 917 2222 (Textphone: 0800 917 7777) www.gov.uk/pip
Carer's Allowance	0800 731 0297 (Textphone: 0800 731 0317) www.gov.uk/carers-allowance
DWP Bereavement Service	0345 606 0265 (Textphone: 0345 606 0285) www.gov.uk/when-someone-dies
Office of the Public Guardian for those who lack capacity	www.publicguardian.gov.uk/index.htm
Jobcentre Plus	New claims: 0800 055 6688 (JSA) (Textphone: 0800 023 4888) Existing benefits: 0800 169 0310 (Textphone: 0800 169 0314) www.gov.uk/contact-jobcentre-plus
Universal Credit	0800 328 5644 (Textphone: 0800 328 1344) www.gov.uk/apply-universal-credit
Tax Credits general enquiries (HMRC)	0345 300 3900 (Textphone: 0345 300 3900) www.hmrc.gov.uk/
National Insurance contributions (HMRC)	0800 141 2075 (Textphone: 0800 141 2438) www.gov.uk/national-insurance
Industrial Injuries Benefit	0800 121 8379 (Textphone: 0800 169 0314) www.gov.uk/industrial-injuries-disablement-benefit