

COST OF LIVING AND WELFARE BENEFITS



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Ataxia Annual
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COUNCIL TAX REBATE

- £150 one - off payment
- Sole or main residence on 1st April 2022
- Valued in Band A to D, or band E with a disability reduction.
- Liable for Council Tax or exempt under certain provisions (e.g all the occupants are severely mentally impaired)
- No need to be entitled to Council Tax Reduction
- Payment made to bank account if paying Council Tax by direct debit
- Otherwise each Local authority should invite claims and can use discretion on how to pay e.g credit on council tax account, issued with a code to collect payment from Post Office
- Discretionary fund to top up payments or make payments to those in bands E to H
- Payments to be made by 30th September

COST OF LIVING PAYMENTS

3 separate payments

- £650 Cost of Living Payment
- £150 Disability Cost of Living Payment
- £300 Pensioner Cost of Living Payment

Can be paid in any combination - you could get one, two or all three payments, depending on your circumstances.

These payments are **in addition to** the £400 energy rebate which virtually everyone will get as a monthly discount off their energy bill from October to March 2023.

£650 COST OF LIVING PAYMENT

Payable to **households** receiving any of the following;

- Universal Credit
- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Income Support
- Pension Credit
- Child Tax Credit
- Working Tax Credit

No entitlement if entitled to Housing Benefit only, or carer's allowance or contributory JSA or ESA. Get advice - you may be entitled to other benefits.

If entitled to both tax credits, will only receive one payment - also no extra payment if entitled to Child Tax Credit and another benefit.

There may be **more than one household** in a house e.g parent and daughter, both receiving one of the above - in which case they both may qualify. However, it's paid at the same rate per household - so a family of 4 get the same as a single person.

- Paid in 2 installments, first of £326 and second of £324.
- To get the first payment of £326, a household must have been entitled to **(or later found to be entitled to - e.g on mandatory reconsideration or appeal)** one of the above benefits and tax credits for the period 26 April to 25 May 2022. The precise requirement varies according to the benefit:
 - Universal Credit claimants must have been entitled to UC for a monthly assessment period that ended in the period 26 April to 25 May.
 - Income-based JSA, income-related ESA, Income Support and Pension Credit claimants must have been entitled to benefit for any day in the period 26 April to 25 May.
 - Tax credits only claimants must, for any day in the period 26 April to 25 May, have been entitled to a payment of tax credits and have an annual tax credit award of at least £26.

- To get the second payment of £324, a household must have been entitled to (**or later found to be entitled to**) one of the above benefits and tax credits for the period 26 August to 25 September 2022. The precise requirement varies according to the benefit:
- Universal Credit claimants must have been entitled to UC for a monthly assessment period that ended in the period 26 August to 25 September.
- Income-based JSA, income-related ESA, Income Support and Pension Credit claimants must have been entitled to benefit for any day in the period 26 August to 25 September.
- Tax credits only claimants must, for any day in the period 26 August to 25 September, have been entitled to a payment of tax credits and have an annual tax credit award of at least £26.

PAYMENT DATES

First payment of £326 paid on;

- For tax credit only claimants, between 2 and 7 September 2022 for most people.
- For those on other benefits, between 14 and 31 July 2022 for most people.

Second payment of £324 due to be paid on;

- For tax credit only claimants, on a date to be announced..
- For those on other benefits, between 8 and 23 November 2022 for most people.

No need to claim - DWP and HMRC say they will identify those eligible, including those only found to be eligible later through an appeal.

Where a claimant thinks they should have received the payments but hasn't, this can be reported online on GOV.UK.

£150 DISABILITY COST OF LIVING PAYMENT

Payable to **individuals** receiving either;

- Disability Living Allowance (DLA)
- Personal Independence Payment (PIP)
- Attendance Allowance
- Adult Disability Payment (which is replacing PIP in Scotland)
- Child Disability Payment (which is replacing DLA for children in Scotland)
- Armed Forces Independence Payment
- War Pension Mobility Supplement

- Claimants must have been entitled to (**or later found to be entitled to - e.g on mandatory reconsideration or appeal**) one of these benefits as of 25 May 2022 to get the payment.
- As with the Cost of Living Payment for those on means-tested benefits, eligible individuals should receive the Disability Cost of Living Payment automatically, without having to apply for it. The payment should be made into the same account into which their qualifying benefit is paid.
- Payment will be made automatically from 20 September 2022. Most people should receive their payment by the beginning of October 2022.
- Where a claimant thinks they should have received the payments but hasn't, this can be reported online on GOV.UK.

£300 PENSIONER COST OF LIVING PAYMENT

- The Pensioner Cost of Living Payment is being paid as increase to, and at the same time as, the Winter Fuel Payment for Winter 2022/23.
- To qualify for the Winter Fuel Payment, a person must have reached State Pension age by the end of the September qualifying week, which for Winter 2022/2023 is the week beginning 19 September 2022. To be eligible for the combined Winter Fuel Payment/Pensioner Cost of Living Payment this winter, a person must therefore have been born on or before 25 September 1956.

- Most combined payments will be made automatically in November or December. Eligible persons should receive a letter telling them how much they will get.
- Payment will be made at the same time as the Winter Fuel Payment.
- The usual Winter Fuel Payment standard rates are £200 per eligible household where the oldest person is under 80, and £300 for households containing a person aged 80.
- If a person does not get a letter, or the money is not paid into their account by 13 January 2023, they can contact the Department for Work and Pensions Winter Fuel Payment Centre (details on GOV.UK)

SOME EXAMPLES

1. Ms A receives income support as a carer. She has 2 disabled children who receive DLA, and also lives with her son B who gets UC and her daughter C who gets UC and PIP. The family as a whole could be entitled to 3 £650 Cost of Living Payments, and 3 £150 Disability Cost of Living Payments (2 for Ms A's children and 1 for the daughter).
1. Mr B is a pensioner who receives pension credit and PIP. He lives with his son and his wife who get tax credits. Mr B could get the £650 Cost of Living Payment, the £150 Disability Cost of living Payment and a £300 Pensioner Cost of Living Payment. His son and daughter could get the £650 Cost of Living Payment.

THE HOUSEHOLD SUPPORT FUND (HSF)

- The HSF was set up in September 2021, and has now been extended from October to March 2023.
- The Government funds Local Authorities to deliver the funds on a discretionary basis, so applications must be made to them - check your LA website for details.
- It is intended to help vulnerable households with essential costs such as food, energy bills, water bills and other essentials. Help with housing costs may also be available in cases of emergency.
- New guidance from October is awaited on priority groups for support - this is expected to focus on low income households not eligible for Cost of Living Payments.

ALERT - UNIVERSAL CREDIT (UC) MAY BE COMING TO YOU!

- UC was introduced in 2013 to replace 6 'legacy' benefits.
- It was expected that by 2018 all existing legacy benefit claimants would have been moved to UC under 'managed migration'.
- The Government only introduced a small pilot of managed migration in early 2020, which was paused due to Covid. At that time, only 38 claimants were moved to UC.
- From May 2022 managed migration is being rolled out in selected areas - so far Northumberland, [Bolton and Medway](#), [Truro and Falmouth](#) and the [London Borough of Harrow](#).
- However the DWP intends to complete managed migration to UC by the end of 2024, so new areas can be selected at short notice.

What is universal credit?

- One means tested benefit for those of working age, and from May 2019 new 'mixed age couples' (i.e one over and one under pension age) and those who age into being a 'mixed age couple'.
- Replaces six current means tested benefits

Income based jobseekers allowance (IBJSA)

Income based employment and support allowance (IRESA)

Income support

Housing benefit

Working tax credit

Child tax credit

Claiming and being paid UC

- UC is 'digital by default' so online claim required. Telephone claim may be accepted if claimant is vulnerable, digitally excluded etc.
- Claim has to be maintained online (unless telephone claim) - all communications via an online claimant journal (no letters).
- Normally required to attend JCP for verification interview and to accept a claimant commitment (both members of a couple normally have to attend).
- UC is paid in arrears for an 'assessment period' (AP) of one month. Payment in week following end of AP - so initial wait for payment can be at least 6 weeks (longer for 25% of claimants).
- Housing costs paid direct to claimant, even if previously paid direct to a Council or Housing Association

NO NEW CLAIMS FOR LEGACY BENEFITS?

- New claims for legacy benefits are generally not possible, but there **are some exceptions**.....
- Someone on working tax credit can 'add' child tax credit to their existing claim, and vice versa.
- Someone on 'old style' contributory ESA can 'add' income related ESA to their existing claim in certain circumstances, e.g forming a couple with a non UC claimant (depending on their income).
- Someone can continue to be entitled to housing benefit without making a new claim in certain situations e.g moving within the same Local Authority, or can make a new claim when moving to temporary or supported accommodation.

NATURAL AND VOLUNTARY MIGRATION TO UC

- Unless someone has to claim UC due to managed migration, current migration from legacy benefits to UC is either **natural or voluntary**.
- **Natural migration** occurs when there is a change in circumstances that means a new claim to a legacy benefit would have to be made. If it can't, the person has to claim UC otherwise suffer a loss in income - but it's still a choice.
- For example, if a claimant moves to another Local Authority they would have to make a new claim to housing benefit - but they can't, so they have to claim UC to get help with the rent.
Or someone on child tax credit starts living with a partner - they would have to make a new joint claim for tax credits but can't so they have to claim UC to get help with the child element.
- **Voluntary migration** occurs when someone on legacy doesn't have a change in circumstances but chooses to claim UC because they would be better off.
- Someone on legacy benefits should **always get advice** before claiming UC - there is a lot of wrong advice about both forms of migration. **Once UC is claimed existing legacy benefits are abolished, there is no going back and you may be worse off.**

MANAGED MIGRATION TO UC

- Managed migration to UC **is not a choice.**
- If issued with a migration notice, you must claim UC normally within 3 months.
- If you don't, your legacy benefits will terminate.
- The Government, the DWP and HMRC are encouraging legacy claimants to claim UC - this is not the same as receiving a migration notice!
- Students entitled to a legacy benefit but not UC due to the different rules will be protected on managed migration. Those on tax credits with savings of over £16,000 will have those additional savings disregarded for one year.
- Those who move to UC under managed migration will have transitional protection to make sure they are not worse off when they claim UC. **So in the 3 months allowed by the migration notice get advice to make sure you are receiving your maximum legacy entitlement, as this will increase your transitional protection in UC.**
- However, transitional protection can be **eroded** if you become entitled to more or higher elements in UC, and also **lost completely** e.g due to a drop in earnings for over 3 months below a certain level, or if a couple forms or separates.