

Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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Newcastle City Council website pages on coronavirus (COVID-19) and benefits

We continue to update these three website pages:

[Coronavirus and benefits – what the changes mean for you](#) describes the main measures, explains what they mean for you and provides more detail including any potential issues

[Coronavirus and benefits – news](#) includes the latest announcements and changes, so you can see them as they happen rather than being hidden in the detail

[Coronavirus and benefits – guidance and legislation](#) provides background resources, with guidance from the government and independent sources and the legislation that has brought in some of the measures

Where to get advice in Newcastle – updated again

Like other services, most of Newcastle's advice services changed from face-to-face to mainly phone advice with some exceptions.

The latest details are in our **January** version of **Where to get advice in Newcastle**, which can be found on the Newcastle City Council website page: [Benefit advice services in Newcastle and benefit offices](#).

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

Budget 2021 announcements

Here is a brief description of the main benefit and related announcements made on 3 March 2021. We will cover more detail as it emerges in our [Coronavirus and benefits](#) and [benefit changes](#) webpages and the next Benefit Bulletin.

Support for employees – furlough scheme is extended

The [Coronavirus Job Retention Scheme](#) (known as the 'furlough' scheme) helps employers to keep staff on their payroll when they have had to close or scale back due to coronavirus (COVID-19), rather than making them redundant. The scheme pays a percentage of employees' wages, up to a certain amount per month.

This was due to run until the end of April 2021 but has been further extended in the Budget to the end of September 2021. Employers will be asked to contribute 10% in July and 20% in August and September as the scheme is gradually phased out.

[Government guidance](#) on the extension

Support for the self-employed is extended

The **Self-Employment Income Support Scheme** allows people who are self-employed to claim a taxable grant when they have lost trading / partnership trading profits due to coronavirus (COVID-19). This [scheme](#) had been extended to provide four grants with the last date for making a claim for the third grant was 29 January 2021 and details about the fourth grant to be announced on 3 March 2021. Now the Chancellor has announced a fifth grant, which will be available from July 2021.

The **Universal Credit ‘minimum income floor’ suspension** will continue till the end of July 2021 and be gradually phased in from August with jobcentre Work Coaches having the discretion not to apply it if the claimant’s earnings continue to be affected by coronavirus.

Universal Credit and Working Tax Credit uplift

The basic amount of Universal Credit and Working Tax Credit was increased by £20 per week from 6 April 2020. The Chancellor announced the extra £20 will continue in payment for new and existing Universal Credit claimants till September and Working Tax Credit (WTC) claimants will receive a £500 one-off payment. [Government guidance on how the WTC payment will work](#).

Other benefit and related announcements

- From April 2021, Universal Credit advances (loans) can if requested, be recovered over 24 months rather than 12 months
- Deductions can be made from Universal Credit to recover debts such as rent arrears. The maximum rate at which deductions can be made will reduce from 30% to 25% from April 2021. Brought forward from October 2021
- The Universal Credit higher surplus earnings threshold is designed to ignore a certain amount of unusual higher income in one month. The present amount of £2,500 will continue till April 2022 when it will drop to £300
- To get Working Tax Credit (WTC) you have to work above a certain number of hours. However, a reduction in hours when you are not working due to certain coronavirus restrictions are ignored. This will continue for the duration of the furlough scheme
- Claimants getting [support for mortgage interest](#) will be able to add the legal costs related to transferring their claim to a new property to the value of their loan from 15 March 2021
- Help with rent under Housing Benefit and Universal Credit for private tenants - called Local Housing Allowance – is restricted for some tenants aged up to 35 years to the average amount for a bedsit – known as the ‘shared accommodation rate’. There are several exemptions from this rule, such as care leavers up to their 22nd birthday. The exemption will be extended to their 25th birthday. Also, the present exemption for 25 to 35-year olds who have been in a homeless hostel for at least three months is extended to those under 25. Those who are exempt have the higher one-bedroom rate applied instead. These measures have been brought forward from October 2023 to June 2021.

For more details see [Budget 2021](#).

Coronavirus (COVID-19) and benefits

In March 2020 the Government introduced measures to support people during the pandemic. Some were time limited. Since then, the Government made other announcements and changes. These are described in earlier [Benefit Bulletins](#) and the [Coronavirus and benefits](#) webpages.

The following summarises some of the key recent changes since the last Benefit Bulletin. This is in addition to the above key Budget 2021 announcements.

For fuller details, please see our [Coronavirus and benefits](#) webpages. This information relates mainly to benefits but also includes other related changes.

Jobcentre Plus office availability and reduced opening times

In January, the Department for Work and Pensions (DWP) reduced their opening times from 10am to 2pm.

“This temporary change means we can continue providing safe, essential services for those who need to come into the jobcentre and who are unable to interact with us on the phone or digitally. The opening hours of our [phone lines](#) remain as they were. In addition, the [Relay UK service](#) and the [Video relay service](#) are both still available. Anyone entering a jobcentre will be required to wear a face covering, unless they are in an [exempt category](#). Please remind your audiences to follow the latest government guidance on [meeting with others safely](#) and [lockdown restrictions](#) and that if we need to make an appointment with a customer, this will be by the phone. We will leave a message in their journal before we call them.”

See also the Press release [Jobcentre guidance on new national COVID restrictions](#).

The main contact with the DWP and Jobcentres remains by telephone and for Universal Credit, the online journal. The DWP [said](#) that Jobcentres continue to remain open in a limited way “to provide essential services and support to those whom we cannot help in any other way” and “[jobcentre staff will still meet vulnerable customers](#) including those fleeing domestic abuse”.

More details from the Government’s website page [Employment and benefits support](#).

Extra help with paying Council Tax

In the last Benefit Bulletin, we reported that Newcastle City Council are to give extra help to some people with their Council Tax bills in addition to the usual discounts and means tested Council Tax Support Scheme. Here is a little more detail on how it works.

After the usual discounts and Council Tax Support Scheme is claimed and awarded, this additional hardship payment is applied up to a maximum of £160.

An example of how it works:

The Council Tax bill for the year is £1,500

Council Tax Support is claimed and paid at 90%, which equals £1,350

Therefore, the bill would normally be £150

However, the additional hardship amount of £160 is more than that, so there is nil left to pay.

If instead of £150, there was £170 left to pay (after Council Tax Support), the bill would be reduced by £160 with £10 left to pay.

Extra points:

- The hardship payment will be allocated to the start of year billing for 2021-22 for existing Council Tax Support claimants and added to new in-year Council Tax Support applicants once the award is calculated. The amount may be apportioned depending on how long the claimant has been on Council Tax Support.
- It’s a one-off payment. In other words, it only applies to the year from 1 April 2021 to 31 March 2022.
- **It doesn’t need to be applied for.** It is applied automatically.
- If a change of address takes place within Newcastle, the hardship is apportioned on both bills in accordance with liability dates.

More information is on the Newcastle City Council website page [Coronavirus – Information relating to Council Tax](#).

See also more information [below](#) about other Council Tax Support scheme changes.

More information about Council Tax from [Citizens Advice](#)

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

Disability benefits, like Personal Independence Payment, and the incapacity for work test in Employment and Support Allowance (ESA) and Universal Credit usually involve having regular appointments with health professionals to prove you satisfy the tests for those benefits. Face-to-face assessments remain suspended and disability benefit awards due to expire are still being extended, but reviews and reassessments have gradually restarted which could involve either telephone or paper-based assessments.

Delays

A consequence of this is that claimants are not getting their correct entitlement or claims are not being processed because of delays and problems with the assessment process. Welfare Rights organisations and others are pressing the DWP and the organisation that does the assessments – the [Health Assessment Advisory Service](#) – to sort this out.

Failure to attend

In December 2020, the DWP told advisers that if a claimant failed to attend a pre-arranged telephone appointment without good cause, the claim will be disallowed. “A disallowance decision is subject to the usual process of Mandatory Reconsideration and appeal. Claimants can also submit a new claim if they wish.”

“A range of factors, including people’s physical and mental health, are always taken into full consideration when deciding good reason and the assessment providers and our decision makers have been provided with additional guidance on the kinds of issues that are particular to telephone assessments – including consideration of technical issues (e.g. mobile phone battery/signal) and environmental factors (e.g. caring responsibilities and noisy home environments). I can assure you that we will always contact anyone who does not attend a telephone assessment and that people’s support will continue wherever there is a good reason for not attending.”

Fixed term awards of Personal Independence Payment due to expire – extended

Most Personal Independent Payment (PIP) awards that were due to end at certain dates have been extended due to the pandemic.

On 21 January 2021, a government minister [told Parliament](#): “The Department has been automatically applying extension of awards ... for all claims due to end between March 2020 and January 2021, except those where a new decision has been made since review and reassessment activity resumed in July. Additionally, a small number of awards have not been extended where action on their case is pending. These are not included in Covid-19 easements and will not be extended as part of this exercise”.

Disability Living Allowance claimants who have been told to claim PIP

If this is the case, you should claim PIP by the date on the letter. If you need more time, you can call the PIP helpline 0800 121 4433 who might give you an extension. More details from [Disability Rights UK](#) and [Citizens Advice](#).

Disability benefit warning

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

Those having difficulty claiming benefits because of a disability or health condition

During the pandemic, the [Government has expanded](#) ways in which they can be contacted by those who have difficulty in using the normal channels, such as telephone or internet. For example, the [video relay service](#) for those with hearing and speech difficulties has been [expanded](#) to cover many benefits.

It is [possible](#) for someone supporting a claimant to phone the DWP on behalf of someone via a **three-way** or **conference call**.

Also see [Extra help and support under Universal Credit - including in Newcastle](#) on our Universal Credit webpage, which includes a two-sided document on ways to get help.

Statutory Sick Pay legislation amended

From 24 December 2020, [SI.No.1638/2020](#) stated that people who have to self-isolate because they have coronavirus symptoms, have tested positive or are a household contact of a person who has coronavirus, are deemed to be incapable of work for the full period for which they have to isolate, and allow notification to be given orally over phone or in person.

Also, [Statutory Sick Pay](#) (SSP) is available from the first day of absence to individuals who are unable to work because they have been advised to shield, for example where they can't work from home. For more information, see the DWP's online [information](#).

Coronavirus: Withdrawing crisis social security measures

This [Commons Library Briefing Paper](#) outlines the social security changes made by the DWP, and other Government departments, in response to the coronavirus pandemic, as well as expectations for their withdrawal and plans for the economic recovery.

The ban on enforcing evictions is extended

Stayed possession proceedings have been extended until 30 July 2021 and the period for filing and service of a 'reactivation notice' has been extended to 30 April 2021. For details, see 29 January 2021 amendments to [Practice Direction 55C](#) approved by Master of Rolls and news from [Thompson Reuters](#). **Since then, news that the ban on evictions is [extended to 31 May 2021](#).**

See also this government publication [COVID-19 and renting: guidance for landlords, tenants and local authorities](#).

The COVID Winter Grant Scheme is extended

In the last Benefit Bulletin we described this extra money the Government had given to councils was due to end on 31 March 2021 but the DWP have recently told local authorities that "... the COVID Winter Grant (CWG) Scheme will be extended to the 16 April 2021, providing an additional £59.1 million of extra targeted financial support for those in need during the pandemic". In addition, "the CWG Scheme is part of a wider winter support package for families and children, including:

- an expansion of the Department for Education's Holiday Activities and Food programme
- increasing the value of Healthy Start vouchers
- further funding for local charities to provide immediate support to front-line food aid charities, including food banks"

Reports and policy

The Institute of Health Equity urges that the Government learns "the lessons of the pandemic, prioritises greater equity and health, and works urgently to reduce the severity of the health crisis caused by the economic and social impacts of the pandemic and the societal response" in its report [Build Back Fairer: The COVID-19 Marmot Review](#).

The New Economics Foundation believe that "2.5 million more people will fall into hardship by spring" in its report [Falling Through the Cracks](#).

Citizens Advice believe that the [pandemic is leaving private renters with unmanageable debt](#).

The Independent Food Network report that food banks across the UK recorded a [110% increase in the number of emergency food parcels distributed from February to November 2020](#).

The Joseph Rowntree Foundation report an increase in [Destitution in 2020](#). See also their report [The financial impact of COVID-19 on disabled people and their carers](#).

The first systematic [review on the effects of social security policy on mental health and inequalities](#) by Population Health Sciences Institute, Newcastle University, found that "expansions in social security benefits improve mental health outcomes" and "reductions in social security support lead to adverse mental health outcomes".

See [Newcastle's responses to the Government's welfare reforms - the challenges of personal and public debt](#) presented to Newcastle City Council's [Cabinet](#).

Sign up for the special email for advisers

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

Advice corner

What age do you have to be to claim Attendance Allowance?

It used to be 65. Simple! However, in December 2018, it changed to 'pension age'. This followed on from the changes to working age benefits and pension age benefits like Pension Credit and Retirement Pension.

At the same time, a new claim for Personal Independence Payment (PIP – the other 'disability benefit' for adults) cannot be made once you reach state pension age. Instead it would be Attendance Allowance. Please note that once it's in payment, PIP carries through into your pension age.

This government website helps you [find out what your pension age is](#).

How to improve the chances of success for a 'disability benefit' claim?

When you apply for PIP, Attendance Allowance or Disability Living Allowance (for a child), please try to provide supporting medical and other evidence with the claim. This gives the DWP decision maker more information to make a correct decision.

Other benefit news and issues

Council Tax support changes

Newcastle City Council's means tested Council Tax Reduction scheme is now called the 'Council Tax Support Scheme' or CTS for short.

Newcastle City Council are increasing the non-dependant deduction for the working age Council Tax Support Scheme to £3.25 per non dependant from April 2021.

See also the extra hardship payment to help with Council Tax bills announced [above](#).

For more details, see the Council's website page: [Council Tax – How much will I pay?](#)

Universal Credit – protection ended, plus numbers in Newcastle

Protection from Universal Credit for those with the Severe Disability Premium ends

Since 16 January 2019, those who were entitled to the 'severe disability premium' in the 'legacy benefits' that Universal Credit is replacing, were prevented from claiming Universal Credit in order to protect them from dropping down to a lower amount of Universal Credit.

However, the Government ended this protection on 26 January 2021, so they will share the same rules like others on legacy benefits, as follows – if they have a change in circumstances which means they would normally claim a **new** legacy benefit, they are not be allowed to claim that legacy benefit and have to claim Universal Credit instead. Their entitlement to their legacy benefits ends. To compensate claimants for having to claim a potentially lower amount of Universal Credit, such claimants will be paid a set 'transitional protection' amount depending on their circumstances.

Please note that in some circumstances they may not have to claim Universal Credit. We have produced a [table](#) showing when they would have to claim Universal Credit and when they would not.

If they have the choice, our advice is always to get a benefit check to compare the options. See our pages [Benefit advice services in Newcastle](#) and [Check your entitlement to benefits online](#).

More details from [Disability Rights UK](#) and [CPAG](#).

Universal Credit in Newcastle numbers and rollout

At 14 January 2021, the latest DWP statistics showed that there were 36,646 people on Universal Credit in Newcastle. This represents a 59% increase since March 2020. Universal Credit continues to replace six legacy benefits. Of the total households on Universal Credit and legacy benefits in Newcastle, Universal Credit accounted for 65% (29,815). In other words, the rollout of Universal Credit is 65% complete in Newcastle. Nationally, it is 57% and it is 57% in the North East.

The Government now expects the rollout of Universal Credit to be complete by September 2024 rather than December 2023, but the [Office for Budget Responsibility](#) estimate that the end point is more likely to be September 2026. These estimates were made before the coronavirus (COVID-19) pandemic.

See these useful [Universal Credit resources](#) for caseworkers provided by the House of Commons Library.

Post Office Card Accounts stopping

This is part of the Government's attempt to move people onto bank or similar accounts, although the [Payment Exception Service](#) is still available "for people who do not have a bank account to collect benefit or pension payments".

The DWP are "writing to everyone who currently receive their State Pension or benefit payments into a Post Office card account (POCa). The letter informs them the POca service is closing and asks them to provide alternative account details".

To discuss it with them, you can contact their Customer Service Centre by:
Telephone: 0800 085 7133
Textphone: 0800 085 7146

More details and what to do instead from [GOV.UK](#).

New benefit appeal form

If you are unhappy with a benefit decision you can ask the DWP to review its decision, which is called a mandatory reconsideration. If you are unhappy with that decision, you can appeal to the independent Courts and Tribunal Service, which has updated the appeal form you would use for Personal Independence Payment, Employment and Support Allowance and Universal Credit.

This link is to [this new form](#). This link is to the [appeal form for other benefits](#).

Brexit and the European Union Settlement Scheme

Free movement for people between the European Union (EU) and some other countries ended on 31 December 2020, with a new immigration system for those wanting to come to the UK from 1 January 2021. If you are an EU, European Economic Area or Swiss citizen, you and your family can continue living in the UK so long as you apply to the [Settled Status scheme](#) before **30 June 2021**.

The local organisations who can advise people and help apply for settled status for free are:

- Riverside Community Health Project:
Phone 0191 226 0754. Email eussadvice@riversidechp.co.uk
- Children's Society North East:
Phone 0191 349 9481. Email euss@childrenssociety.org.uk
- Your Homes Newcastle:
Phone 0191 277 1190. Email euss@yhn.org.uk

Support for people who need specialist legal advice is available from North East Law Centre who operate a weekly advice line on Fridays from 10.00am to 1.00pm (phone 0191 230 4777).

Depending on your circumstances you either get 'settled status' or 'pre-settled status'. People with 'pre-settled status' may have less access to benefits etc. Without going into detail, there is a court case called 'Fratila' which is waiting to go to the Supreme Court. If this goes in the favour of the Government, people with only 'pre-settled status' will have less access to benefits and so on. This is a [summary of the Fratila case](#) at the time of writing.

The important thing is for people to get in touch with the above organisations and apply to the Settled Status scheme.

[Government guidance](#) for EU Settlement Scheme applicants in or outside the UK who have been affected by restrictions associated with coronavirus (COVID-19).

Philippa Day

A recent coroner's inquest into the suicide of Phillipa Day listed a number of failures by the DWP and Capita, who carry out medical assessments. One of these concerned the response they made when Ms Day rang in severe distress about her PIP claim, indicating a strong suicide risk.

The Coroner issued a [Report to Prevent Further Deaths in respect of Philippa Day](#) and sent it to the DWP and Capita saying:

"The failure to administer the claim in such a way as to avoid exacerbating Philippa Day's pre-existing mental health problems was the predominant factor, save for her severe mental illness, affecting a decision taken by Philippa Day to take an overdose of her prescribed insulin ..." and 'The distress caused by the administration of Philippa Day's welfare benefits claim led to Philippa Day suffering acute distress and exacerbated many of her other chronic stressors. Were it not for these problems, it is unlikely that Philippa Day would have taken an overdose of her prescribed insulin on 7th or 8th August 2019" .

To the DWP and Capita he said: “You are under a duty to respond to this report ... by 12 April 2021” and “Your response must contain details of action taken or proposed to be taken, setting out the timetable for action. Otherwise you must explain why no action is proposed”.

Also see these reports by leighday.co.uk who represented her family and [The Guardian](#).

Benefit rates from April 2021

From the [government website](#), [Rightsnet for advisers](#) and also see the analysis by the [House of Commons Library](#). Note, it's assumed they will be updated to take into account the continuation of the £20 uplift in Universal Credit from April until September as announced in the Budget 2021 (described [above](#)). In the meantime, here is a table with those figures:

Monthly UC standard allowance*	Up to April 2021, £20 included	April - Sept 2021, £20 included	Oct 2021 - April 2022, £20 removed
Single under 25	£342.72	£344.00	£257.33
Single 25+	£409.89	£411.51	£324.84
Couple under 25	£488.59	£490.60	£403.93
Couple 25+	£594.04	£596.58	£509.91

* Be aware these are illustrations of some basic amounts that are part of the UC calculation and that they can be lower or higher if for example, there are housing costs or extra elements to be added.

Further support, information, training

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

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

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

For details of our **e-learning modules** for professionals such as ‘Introduction to Benefits’ and ‘Universal Credit’, see our [website page for professionals and volunteers](#).

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

You can subscribe to the DWP information for professionals in [Touchbase](#)

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

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