

Benefit Bulletin: Big benefit changes and news

Produced by the Active Inclusion Service, Newcastle City Council

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The Autumn Statement – benefit changes

The Autumn Statement on 17 November made the following benefit and related announcements. Some of which are to help with the cost-of-living crisis:

Benefits to be updated with inflation

Working age benefits, disability benefits, Pension Credit* and State Retirement Pension will be updated in line with inflation in April 2023. The estimated amount is based upon September's Consumer Price Index rate of 10.1%. *Specifically, the standard minimum income guarantee of Pension Credit and Savings Credit for those still getting it

However, **Local Housing Allowance (LHA) rates are not being updated** according to a later [ministerial statement](#). LHA is basically Housing Benefit for private tenants with some differences. [Details about LHA](#).

The Benefit Cap increased for the first time

The Benefit Cap that limits the total of several working age benefits a family can receive is also to be increased by inflation from April 2023.

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

Support for mortgage interest (SMI) improvements

SMI is a loan for those on certain benefits to help with mortgage payments (it wasn't a loan before April 2018). From Spring 2023, the waiting time for this loan is reduced from 9 to 3 months. The government is also **abolishing the zero earnings rule** from April 2023 to allow claimants to continue receiving the loan while in work and on Universal Credit. This rule stopped your loan if you earned during the wait period or when getting the loan, **and** meant you had to start the 9 months wait again.

More in-work conditionality for Universal Credit

In-work conditionality will be increased from September 2023 for Universal Credit claimants whose 'household income is typically between the equivalent of 15 and 35 hours a week at the national living wage'. They 'will be required to meet with a dedicated work coach to increase their hours or earnings'

Universal Credit 'managed migration' roll out is delayed again – in part

Until this statement, the Government plan was the DWP would begin writing to those on the 'legacy' benefits that UC is replacing, inviting them to claim UC. The process, called 'managed migration', was to be completed by 2025.

Now, the Chancellor has announced a two-tiered roll out...

The direct quote from the Autumn Statement document says:

'5.15 - The government is pushing back the managed migration of claimants on income-related Employment and Support Allowance (with the exception of those receiving Child Tax Credit) to UC to 2028.'

We think this means:

1. Those on any of the following benefits are to complete managed migration by 2024/2025 (as per the earlier plan):

- Child Tax Credit or Working Tax Credit
- Income Support
- Income-based Jobseekers Allowance
- Housing Benefit (and no other means-tested benefits)

2. Managed migration is delayed until 2028 for those on the following benefits:

- Income-related Employment and Support Allowance (and no other means-tested benefits), or
- Income-related Employment and Support Allowance and Housing Benefit (and no other means-tested benefits)

As a consequence, the **Housing Benefit and Pension Credit merger is also delayed** until 2028.

More details about Universal Credit migration [below](#). And we will keep our [move to Universal Credit](#) webpage updated as we know more.

Other announcements

See [below](#) for the new cost of living announcements in the Autumn Statement

Those arriving from Ukraine are exempt from the extra 'residency' tests. This measure has been in since March 2022.

'Eligibility to Higher Education (HE) student support, home fee status, capped tuition fees, Advanced Learner Loans and access to funding for further education 19+ is being extended to those entering the UK under either the Homes for Ukraine scheme, the Ukraine family scheme or the Ukraine extension scheme. This came into effect for new and continuing students from 1 August 2022.'

The National Living Wage will increase from April 2023 by 9.7%. The hourly rate will be £10.42 which represents an annual pay rise worth over £1600 to a full-time worker. Of course, this may lead a reduction to any received means tested benefit.

Since 2013, adults on Disability Living Allowance have been 'invited' to claim Personal Independence Payment. The pause on this for those remaining on DLA will continue.

In 2023-24 the **rent cap** for social housing will be reduced to 7%. It's normally CPI+1%.

Autumn Statement summary and reactions

- from the House of Commons library

[Autumn Statement 2022: A summary](#)

[Autumn Statement 2022: Reaction](#)

- from the Institute for Fiscal Studies

[Autumn Statement 2022 response](#)

The move to Universal Credit and how you can help - now

The last [Benefit Bulletin](#) explained that Universal Credit is replacing six 'legacy benefits' such as Housing Benefit and Tax Credits and how that is happening.

Our key messages are that those on 'legacy benefits':

- May have a choice in whether they claim Universal Credit or not, and
- Should check if they would be better off on Universal Credit now, and if they were sure there would be no adverse effects, they should claim it. But if they were to be worse off, they should avoid claiming Universal Credit as long as possible.

We provided lots of information and training about this.

The main webpage covering this is www.newcastle.gov.uk/the-move-to-Universal-Credit

This webpage tells you who can give you that advice and who can help with claims www.newcastle.gov.uk/UniversalCredit-supportinNewcastle

At some stage the DWP will write to those on 'legacy benefits' inviting them to claim UC and after 3 months, their 'legacy benefits' will stop. That's called 'managed migration'.

In terms of the timing, the Autumn Statement on 17 November, has created a two-tier roll out process. This is described under the [Autumn Statement announcements](#) above.

Claim Universal Credit via the phone

The expected way to claim Universal Credit is via the internet and an online account. However, those who would struggle with this can claim by phone instead and will have their ongoing award administered through phone calls and letters. It needs careful thinking through as to what approach is best.

[Child Poverty Action Group](#) say:

'The relevant law is in [regulation 8 of the Universal Credit \(...\) \(Claims and Payments\) Regulations 2013](#). There's [DWP guidance](#) acknowledging that *'not everyone will be able to make and maintain their claim online for a variety of good reasons.'* [The Gov.uk website](#) now acknowledges that *'if you cannot claim online, you can claim by phone through the universal credit helpline'*. (emphasis added).'

Switching from online to offline

And... 'somebody struggling with an online account can ask the DWP to switch them to a paper- and phone-based approach. Their online account still exists, but the DWP no longer uses it to communicate with them. This is confirmed in [DWP guidance](#).'

Special Guardianship Order and benefit entitlement clarification

We are raising this as some professionals have advised those with a Special Guardianship Order are only entitled to Child Benefit and no other benefits. This is wrong!

Once a Special Guardianship Order is granted, the SGO carer has the same rights to benefits a birth parent or responsible adult has. For example they can claim Child Tax Credits or child amounts in benefits like Universal Credit and so on.

A Special Guardianship Allowance is ignored as income.

You may have heard about the 'two child limit' but this does not apply for those with a Special Guardianship Order.

The 'two child limit' stops you getting an element for a child born on or after 6 April 2017 if you already have two or more other children included in your award. See the rules including this exception for [Universal Credit](#) and similar rules for [Child Tax Credits](#).

More details [Special Guardianship Support Needs Are Often Incorrectly Assessed \(Especially SGO Allowances\) \(sgoinfo.co.uk\)](#)

Newcastle East Jobcentre – temporary closure arrangements

Newcastle East Jobcentre, Clifford Street, Byker is temporarily closed. Some building work is required to enable the office to be used again, so it will remain closed for some time with a view to reopening around March 2023. In the meantime, Work Coaches from the Jobcentre will be based at the Jobcentre plus office in The Spire at the bottom of Pilgrim Street in the city centre (next to the Tyne Bridge). People who have appointments and would normally attend at Byker should attend The Spire instead and will be informed of this. "Front-of-house" services (e.g. benefit enquiries or digital support) will be delivered from Newcastle City Jobcentre at Cathedral Square, so anyone without an appointment who needs to be seen face-to-face should be directed there.

Healthy Start change

This help with food and milk for those who are more than 10 weeks pregnant or have a child under 4 is changing from a voucher to a pre-paid card.

More details from <https://www.healthystart.nhs.uk/frequently-asked-questions/>

Get a refund on an old DWP hardship payment recovery

New from DWP!

People who received a hardship payment from Universal Credit and have already paid it back – might be able to get a refund.

Universal Credit hardship payments are loans and are recovered directly from your Universal Credit.

If, between 1 January 2014 and 11 January 2021 you asked for that recovery to be waived but the DWP refused, you can ask for that money back.

You must apply between 19 December 2022 to 19 June 2023.

You need to show that either:

- you could not afford to repay the repayment at that time, or
- repaying it had a significant effect on your or your family's health or wellbeing – this means that it caused a health condition or made a health condition worse

More details and how to apply are on the government webpage [Ask DWP to review a previous request to stop \(waive\) Recoverable Hardship Payment repayments made between 1 January 2014 and 11 January 2021](#)

Extra housing costs help for victims of domestic abuse and modern slavery

Housing Benefit and the housing costs element in Universal Credit for claimants under 35, living alone and renting privately is based on the cost of renting a room in shared accommodation. There are a number of exemptions which allow a claimant to receive the higher, one-bedroom rate instead of the shared accommodation rate in certain circumstances.

From 1 October 2022, there will be two new exemptions for victims of domestic abuse and victims of modern slavery.

[Legislation](#) and guidance [A6/2022](#) and [ADM 19-22](#)

Automatic extension of PIP awards from 3 to up to 12 months

From 'early to mid December' the DWP 'will automatically be extending existing (Personal Independence Payment) claims awaiting review by up to 12 months and will do this 35 days before their end date. The longer extension provides greater certainty for claimants and in particular help with continuing to access other support for example a blue badge...'

Originally it was to start it [October](#) but in a recent email to stakeholders this was moved to the later date.

Introduction to benefits training

This session gives a basic overview of the benefits system and rules, who can claim what, avoiding benefit problems, practical information about where **you** and residents can get further information, advice and support.

This 'live' session via Teams allows for questions and should last no longer than two and a half hours.

Tue 6 December 2022. 2-4.30pm

Tue 14 March 2023. 2-4.30pm

There are also online modules to do in your own time

To sign up for the training go to 'training' on the page: [Information for professionals and volunteers - financial inclusion](#)

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

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

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

Where to get benefit and debt advice in Newcastle

The latest version of **Where to get benefit and debt advice in Newcastle**, can be found on the Newcastle City Council website page: [Benefit advice services in Newcastle and benefit offices](#) includes details on the Welfare Rights Service's Public advice line.

Cost of living crisis information, advice and news

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

New - Household Support Fund - coming very soon

The Government have announced further funding for the Household Support Fund. Newcastle City Council has again received in the region of £2.9m.

The fund will be used to provide food vouchers to children entitled to free school meals during Christmas school holidays and February half term and will be paid automatically.

The Council will use the fund to support residents in receipt of Housing Benefit but who were not entitled to the full £650 cost of living payment from the Government. Those eligible will be contacted by the Council's Revenue and Benefits department in the next couple of weeks to explain the amount of their entitlement and how they will receive it.

There will again be a limited application scheme for hardship payments for residents facing demonstrable financial difficulty, where signed up professionals make the application. This scheme is currently being finalised and when more information is available will be published on www.newcastle.gov.uk/householdsupport

Cost of Living Payments - previously announced

The £650 Cost of Living Payment for those on low-income benefits and the £150 Disability Cost of Living Payment should have been paid by now.

Those who haven't received theirs can let DWP know online via the [Cost of Living Payments webpage](#).

The other £300 Pensioner Cost of Living Payment is being paid to those entitled to the Winter Fuel Payment from November 2022.

See the Government's [Cost of Living Payments webpage](#), a [Stakeholder toolkit](#) and [internal guidance memo](#) for more details

New cost of living announcements in the Autumn Statement

The [Autumn Statement 2022](#) on 17 November announced these further cost of living measures:

The above three Cost of Living Payments with similar rules will be repeated next year with increased amounts for one of them:

- £900 Cost of Living Payment for households on means-tested benefits in 2023-24
- £300 Pensioner Cost of Living Payment in 2023-24
- £150 Disability Cost of Living Payment in 2023-24

Energy Price Guarantee: support for households through a cap on the unit rate of electricity and gas. This is the previously announced measure which caps the unit price of gas and electricity so that the typical household pays the equivalent of £2,500 per year until 31 March 2023, beginning from 1 October 2022.

There will be a further extension of the Household Support Fund to 31 March 2024

Further details from the [Cost of living support Factsheet - GOV.UK](#)

Facebook video

If you have 30 minutes to spare, you may find it useful to watch a recent information session about cost-of-living help and support in the City

www.facebook.com/NewcastleCityCouncil/videos/821147122453466

Help with energy costs

This information is mainly taken from the City Council's energy advice team's webpage: www.newcastle.gov.uk/energyadvice which has more detail and advice.

Energy Bill Support Scheme £400 discount

- customers with old-style prepayment meters may be due this in the form of vouchers – but a third haven't been paid. They should check their energy supplier has their correct name/email/phone on their account. The easiest way to do this is via their online accounts to avoid the waiting on the phone.

Details from [Getting the Energy Bills Support Scheme discount - GOV.UK](#) and [Energy bills support factsheet - GOV.UK](#)

Warm Home Discount £150

- in previous years those on low incomes could apply, this year they can't and will be notified by letter if they are eligible.

[Check online if you're eligible for the Warm Home Discount in England and Wales - GOV.UK](#)

Winter Fuel Payment

- automatic (mostly) to eligible customers

Cold Weather Payments

- automatic to eligible customers

Energy saving tips

- from <https://energysavingtrust.org.uk/hub/quick-tips-to-save-energy/>

Shopping top tips from Citizens Advice Newcastle

With Black Friday, Cyber Monday and the holiday season, Citizens Advice has these top tips to remind bargain-hunters how to shop safely online:

- **Do your research:** Before buying from a site you haven't used before, spend a few minutes checking it out. See what people have said about the person or company you're buying from by looking at reviews on different websites - don't rely on reviews the company has put on its own website. Beware of scams in disguise: if it seems too good to be true, it probably is. If you're worried that something you've seen online might be a scam, you can get help from the [Citizens Advice consumer helpline](#).
- **Ways to pay:** Beware of a seller who asks you to pay by direct bank transfer. Bank transfers have limited protection if things go wrong, so avoid using them. You should only send and receive money through the online marketplace app or website using a debit or credit card, or via trusted methods of payment such as PayPal.
- **Know your rights:** If you've bought from a retailer you might be entitled to a replacement product or a repair of your faulty goods. You can even claim a full refund if you can prove the goods are faulty. If you've bought from an individual, perhaps via an online marketplace, you have far fewer rights. In fact, you have no right to return, so long as the goods are 'as described'. Always be sure to take a screenshot of the description, and be sure to check and double check before you buy.
- **When things go wrong:** Sometimes things just don't go to plan. If you've bought something that is broken, damaged, unsafe or not what you expected then contact the seller and give them a chance to put it right. If that doesn't work - reach out to the [Citizens Advice consumer helpline](#).

More cost of living information

The previous [Benefit Bulletin](#) has more details about other kinds of help, such as fuel direct, Energy Bills Support Scheme and help with broadband bills

See the City Council's cost of living 'landing' page www.newcastle.gov.uk/our-city/cost-living-support so people can find advice and support in Newcastle.

The LGA [cost of living hub](#) that has been designed to share best practice and help councils to support their residents with the rise in the cost of living. You can find a wide range of case studies and resources such as:

[Cost of living data dashboard](#) – updated monthly insights showing the impact on those seeking support from Citizens Advice.

[Energy at Home](#) – a web resource by the Energy Trust which outlines affordable ways for households to cut their energy bills.

[Home energy grants](#) – a search tool by Simple Energy Advice which allows users to see local energy grants they may be eligible for.

[Cost of living vulnerability index](#) – a new index for measuring the cost of living crisis by local area, created by the Centre for Progressive Policy.

[Cutting back to keep warm](#) – research from the Resolution Foundation showing why low-income households will have to cut back on spending by three times as much as high-income households this winter.

Further support, information and training

Find our **earlier Benefit Bulletins** on our [website page for professionals and volunteers](#) and for **more information on benefit changes**, see our website page [Changes to the benefits system](#) which includes a **timeline of the main benefit changes** 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 'live' **Teams training** and **e-learning modules** for professionals such as 'Introduction to Benefits' and 'Universal Credit', see our [website page for professionals and volunteers](#)

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

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

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

We also write a weekly-ish adviser's email, with quick details and changes. Email clive.davis@newcastle.gov.uk to go on the mailing list

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