

MAY 11, 2020

'COVID-19 & the changes to welfare benefits, assessments and other support'



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Important: The information we share in these slides is accurate and up to date to our knowledge but COVID-19 is a fast-changing situation and the relevant legislation or guidance is subject to change.
This presentation is intended for informative purposes only.

In today's webinar

Benefit increases
Deductions for overpayments of benefits
Job Centre Appointments
Sickness and disability benefits and face to face assessments
Carers Allowance
Child Benefit
Council Tax



Benefit increases - Universal Credit

The Govt has increased the standard allowance in Universal Credit by £20 per week on top of planned annual uprating.

- This applies to all new and existing Universal Credit claimants

What does this mean in practice?

For example, this will mean that for a single Universal Credit claimant (aged 25 or over), the standard allowance has increased from £317.82 to £409.89 per month.

Be Aware: there does appear to be corresponding increases in other benefits, eg ESA.



Universal credit continued ...

Regarding making a new claim for Universal credit. If you are receiving working tax credit, but decide not to wait and and you apply for universal credit once you make that claim you will not be able to move back to working tax credit.

This may not be in your best interest. Seen further advice on this.



Universal credit continued ...

I have been furloughed by my employer, should I claim Universal Credit?

You can claim UC while you are furloughed under the govt's Coronavirus Job Retention Scheme - either while you are waiting for your first furloughed payment or because your income has gone down - as long as you meet the basic conditions of entitlement.

Be aware: Furloughed pay counts as earned income for Universal Credit and will be treated in the same way as wages usually are. That could mean less support. Plus, if you receive WTC and apply for UC, WTC will stop.



Key legislation & Guidance in relation to UC

- [The Social Security \(Coronavirus\) \(Further Measures\) Regulations 2020](#)
- <https://www.understandinguniversalcredit.gov.uk/new-to-universal-credit/how-much-youll-get/#what-makes-up-your-payment>
- <https://www.gov.uk/government/news/chancellor-announces-workers-support-package>



Working Tax Credit

If you're still on the old benefit system and receiving working tax credit, you should see an increase in your next payment.

The Govt has increased the **basic element** of working tax credit by £1,040/year (£20/week) to £3,040/year from Monday 6 April 2020.

Be aware: this increase is for one year only - for the 2020/2021 financial year

Key legislation

Section 77 of the Coronavirus Act 2020



Working tax credit continued ...

For the time being official advice is that 'Tax credits customers will continue to receive payments even if working fewer hours due to COVID-19'.

Quoted from HMRC, 4 May 2020, via

<https://www.gov.uk/government/news/tax-credits-customers-will-continue-to-receive-payments-even-if-working-fewer-hours-due-to-covid-19>

Be aware: Do not update your working hours if they have been reduced due to COVID-19, as HMRC are treating this as a temporary and exceptional change.



Deductions for Overpayments of benefits

- Recovery of any overpayments from UC, income support, employment and support allowance and jobseekers allowance overpayments have been paused until at least July 2020. This will be automatic.
- Social fund loans, housing benefit and tax credit debts will also be paused.
- This will mean you should see an increase in the amount of money you receive from those benefits during the COVID-19 outbreak.
- If you are repaying an overpayment through a standing order, bank giro credit or through online banking, you should contact your bank to cancel the arrangement.

<https://www.gov.uk/government/news/recovery-of-benefit-overpayment-suspended>



Job Centre Appointments

- Benefit claimants (new and existing) do not have to attend job centre appointments for at least three months, starting from 19 March 2020. (Claimants already in receipt of benefits will continue to receive them.)
- Only the most vulnerable claimants who cannot claim benefit online or by telephone will be admitted to job centres, on an appointment only basis
- People affected by coronavirus will be able to apply for universal credit and can receive up to a month's advance without physically attending a job centre.
- **Be aware:** all appointments, including the appointment to verify your identity, should take place by phone



Job Centre Appointments continued...

Relevant Guidance:

- <https://www.understandinguniversalcredit.gov.uk/employment-and-benefits-support/already-claiming-benefits/>
- <https://www.gov.uk/government/news/claimants-are-asked-to-apply-online-as-jobcentres-limit-access>



Sickness & Disability benefits



Usually, claimants of sickness and disability benefits may be required to attend assessments (e.g. Work Capability Assessment) and/or subject to reviews to determine their eligibility and the level of support needed. Those benefits include: UC, ESA, PIP, DLA, Attendance Allowance and Industrial Injuries Benefit.



What has changed?

From 13 March 2020 - New claims or existing claimants of UC or ESA will be considered as having 'limited capability for work' if the person is infected with or contaminated with Coronavirus, in isolation or caring for a child or qualifying young person who is a member of the persons household who fits the above without the requirement for any medical evidence or to undergo a Work Capability Assessment.



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Key Regulation

The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

Be aware: This will be kept under review by the govt. These regulations will end eight months after they come into force.



Am I expected to look for work while on UC?

From 30 March 2020, rules provide that for an initial period of 3 months there are no work-search requirements in Universal Credit or new-style jobseeker's allowance, and jobseeking conditions in old-style jobseeker's allowance are treated as satisfied.

Relevant Regulation:

- [Social Security \(Coronavirus\) \(Further Measures\) Regulations 2020, SI 2020 No.371, regulations 6-7](#)



Will I be sanctioned if I cannot keep up my claimant commitment on UC?

DWP have stated : "you will not get a sanction if you cannot keep to your claimant commitment."

Relevant Guidance:

<https://www.gov.uk/government/publications/universal-credit-and-your-claimant-commitment-quick-guide/universal-credit-and-your-claimant-commitment>



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Face to face assessments - suspended

From 17 March 2020 - All face-to-face disability and sickness assessments are suspended until at least 17 June 2020; anyone with such an assessment booked should be contacted by the DWP to rearrange this meeting.

It affects claimants on PIP, those on ESA and some claimants on Universal Credit, and recipients of Industrial Injuries Disablement Benefit.

Relevant Guidance:

<https://www.gov.uk/government/news/face-to-face-health-assessments-for-benefits-suspended-amid-coronavirus-outbreak>



Benefit reviews and reassessments have been suspended

From 24 March 2020 - There will be no new reviews or reassessments across all benefits for three months - this includes UC, ESA, PIP, DLA, Attendance Allowance and the Industrial Injuries Disablement Benefit.

Relevant Guidance:

<https://www.gov.uk/government/news/coronavirus-update-benefit-reviews-and-reassessments-suspended>



What if my benefit award is due to expire?

Where awards are due to expire, these will be extending end-dates so that claimants continue to receive financial support at their current rate during this period.

Relevant Guidance:

<https://www.gov.uk/government/news/coronavirus-update-benefit-reviews-and-reassessments-suspended>.



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What if my benefit award is due to expire? continued ...

On 23 March 2020 - Giving evidence to the Work and Pensions Select Committee on 23 March 2020, DWP Minister Justin Tomlinson confirmed that disability benefit awards have been automatically extended by 6 months for claimants due to be reassessed within the next three months.

Watch from 10:36 - <https://parliamentlive.tv/Event/Index/86ed5d4f-9daf-40b0-9b97-384ddc6cc897>

If you plan to make a new benefit claim

People are being urged to use online services before turning to the telephone for help with their benefit claim.

Relevant Guidance:

<https://www.gov.uk/government/news/claimants-are-asked-to-apply-online-as-jobcentres-limit-access>



Carers Allowance

Relevant Regulation:

Reg 9 of The Social Security (Coronavirus) (Further Measures) Regulations 2020

The effect of Regulation 9 is to allow carers to retain their entitlement to carer's allowance if they have a temporary break in caring as a result of isolation due to, or infection or contamination with, coronavirus disease of either the carer or the person cared for. This regulation extends to England and Wales only.

Be aware: This is in place for eight months from 30 March 2020 and temporary breaks in caring are possible where the carer or disabled person has COVID-19, or is isolating because of symptoms.

Child Benefit

- For child benefit, claimants can temporarily claim for a new born child without first registering the birth by filling in the CH2 claim form and adding a note about the child not being registered yet due to the COVID-19 outbreak or alternatively (for a second or subsequent child) telephoning 0300 200 3100

Relevant guidance:

- <https://www.gov.uk/government/news/dont-miss-out-claim-child-benefit-by-phone-or-post-hmrc-tells-new-parents>



Council Tax

- On 24 March 2020, the Govt Ministry of Housing, Communities & Local Government published the "Council tax: COVID-19 hardship fund 2020 to 2021" - guidance.
- This is £500m to Local Authorities to deliver relief to council tax payers in their area. The funding is for the 2020-21 financial year.
- All working-age council tax support claimants in 2020/2021 (who are entitled to council tax support in respect of any part of your council tax liability) will receive additional support of up to £150 this tax year.



Council Tax continued ...

Relevant Guidance:

- <https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance>
- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879764/32020 - Council Tax information letter - 16 April 2020 .pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879764/32020_-_Council_Tax_information_letter_-_16_April_2020_.pdf)



Council Tax continued ...

Be aware of the following:

- The guidance states that it is the Government's "strong expectation" that LA's will provide ALL recipients of working age local council tax support a further reduction of £150 in their annual council tax bill.
- The LA can also use their discretionary powers to reduce the liability of council tax payers for those who don't receive council tax support and pay FULL council tax.



Council Tax continued ...

Be aware of the following:

- The Guidance advises LA's to apply the Council tax reductions as soon as possible from the beginning of the 2020-21 financial year and billing authorities should rebill council taxpayers as quickly as practical.
- The billing authority should assess who is eligible for support from the hardship fund and automatically rebill those council taxpayers
- The Guidance states that Local Authorities will want to make the local population aware of how the grant support package will be delivered, e.g. through providing information on their websites.



Council Tax continued ...

Be aware of the following:

- The Guidance states that whether or not a taxpayer has been affected by COVID-19, directly or indirectly, should not be taken into account in assessing eligibility for this reduction.
- Councils can: “establish their own approach to using the remaining grant to assist those in need,” which might include further council tax relief or additional support through Local Welfare or similar schemes.

If you come into difficulty with accessing these funds and need help - book a consultation with The Disability Representation Unit @ www.thedru.co.uk

Where to find further information?

GOV.UK is the official site for the latest information on the COVID-19 outbreak. The advice is updated regularly by the UK Government.



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where to find us?



thedru.co.uk

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