



Herts Adviser

Updated benefits information and advice
from Hertfordshire's Money Advice Unit

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Hertfordshire

Contents

UC managed migration	2
Claiming PIP without using a phone...3	
PIP light touch reviews	4
Consultation on work capability assessment.....4	
Pre-settled / settled status update	5
DWP to use ‘virtual’ phone agents	5
Warning to self-employed UC claimants	7
Students and universal credit	7
Parents of young children face increased work related requirements under UC.....8	
Disregarded capital and universal credit	9
Pensioners might get backdated benefit bonanza!.....	10
Income support review exercise	11
War widows recognition payment.....	11
Buses	12
Obstacles to Child Trust Funds	12
ULEZ expands, but some people with disabilities are exempt.....	12
Poverty and health	13
Query from the MAU advice line	14



UC managed migration

Managed migration to universal credit (UC) is taking place for some tax credit claimants by geographical area... but not in Hertfordshire just yet.

The government aims to move all tax credit claimants off tax credits by the end of 2024/25. However, those on just income-related employment and support allowance (ESA), or ESA and housing benefit, are not scheduled to enter managed migration until 2028.

About 25 per cent of people sent the migration notices so far haven't claimed UC, and evidence suggests that:

- there is confusion that UC is only for people 'out of work', rather than also being for those in work
- there is a belief that people would be moved to UC automatically without having to apply
- some people had recently renewed their tax credits so did not believe they would need to claim UC
- some tax credit claimants think that they are not able to make a claim to UC if they have capital over £16,000 (the usual cut-off point for UC, but relaxed temporarily for those transferring from tax credits.)

After a claimant gets the migration notice from the DWP, they have just three months to make a claim for UC before their legacy benefits are stopped.



Claiming PIP without using a phone

Claimants who can't speak on the phone (for example, due to hearing problems, stroke, or learning disability) often have difficulty starting an application for personal independence payment (PIP). Normally, the DWP expects claimants to phone the PIP claim line on 0800 917 2222 to start a claim.

The claim line often has long call-waiting times, which can be frustrating and upsetting for claimants (and advisers!). Another person can support the claimant to make the call, and do most of the talking, but the claimant needs to speak directly to the DWP at some points during the call.

Until recently, the DWP had an email address which could be used to start a PIP application for claimants who could not participate in a phone call. However, the DWP has now discontinued that email address.

The following options for starting a PIP claim remain:

- If you are supporting someone remotely and they are able to answer the phone and give consent for you to speak on their behalf, you could set up a conference call so you and the claimant can speak to the DWP together.
- For some claimants, who need ongoing support to manage their benefit claims, the best way forward is for a third party (often a carer or family member) to become their appointee. The proposed appointee can call the PIP claim line to initiate the process. The claimant won't need to speak on the phone, but may be asked to sign an appointeeship form, or the DWP may make a home visit before confirming appointeeship. This can cause a delay of several weeks in setting up the PIP claim.
- Claimants who use British Sign Language (BSL) can speak to DWP via an interpreter. InterpretersLive! has a [video relay service](#) for computer users, and an [app](#) for mobile devices.
- A third party can phone the PIP claim line to request a DWP support visit for the claimant. A visit is more likely to be granted if the claimants does not have anyone else available to help them start their claim.
- In some regions, the DWP is piloting an online claims service. See box below.

Applying for PIP online

The DWP is piloting a new 'apply for PIP online' service in certain regions, including parts of Hertfordshire. Some new PIP claimants in specified postcode districts will have the opportunity to start a PIP claim online, instead of by phone, if they wish to do so. Claimants can click the '[apply now](#)' button on gov.uk to see if their postcode is eligible. If eligible, the claimant can then complete both the PIP1 form and PIP2 form online. The pilot is capped at 1,680 claims per week.

PIP light touch reviews

In August 2023, the Department for Work and Pensions (DWP) introduced a simplified personal independence payment (PIP) light touch review form for people with long-term, ongoing awards.

Ongoing awards are mainly for those with long-term conditions whose needs are unlikely to change, or those on the highest level of support whose needs will not change or will only deteriorate. Since 2019, this includes PIP claimants who have reached state pension age. People with an ongoing PIP award will have a light touch review ten years into their award. As PIP was first introduced in April 2013, the first claims of ten year duration are coming up for review.

DWP has developed a simplified six-page form (AR2) focussing on how a claimant's ability to do certain everyday tasks and move around may have changed. These forms intended to check whether anything has changed, and confirm that up to date information is held. A sample copy of the AR2 form is available in the [PIP toolkit](#) on gov.uk.

Failure to return a PIP light touch review form will not result in a disallowance of PIP if the claimant has been identified as needing additional support.

In most cases, an assessment with a health professional will not be required, unless there has been a change of circumstances which affects mobility or ability to complete daily living activities.

The DWP has confirmed that the new process will be monitored and welcome feedback on how it is working.

Consultation on work capability assessment

On 5 September 2023 the Department for Work and Pensions (DWP) launched a [consultation](#) on proposals to radically reform the work capability assessment (WCA). The proposals focus on four activities in the assessment: mobilising, continence, social engagement, and getting about. The DWP claims that “these are the activities most likely to be affected by new opportunities for flexible and home working, and improved support.”

They propose either “entirely removing” these activities from the WCA, changing the descriptors used, or reducing the points awarded for these activities.

Currently, around 15 per cent of new claimants found to have limited capability for work-related activity (LCWRA) are given that status because there would be a substantial risk if they were found capable of work related activity. The DWP has also suggested removing the ‘substantial risk’ criterion from the LCWRA assessment.

Any changes will need legislation and will not be implemented until 2025 at the earliest.

Individuals and organisations can **respond to the consultation** at [gov.uk](#). The deadline for responses is 30 October 2023.

Pre-settled / settled status update

As of June 2023, nearly three million EEA nationals and their family members in the UK hold pre-settled status under the EU Settlement Scheme (EUSS). People with pre-settled status do not automatically pass the 'right to reside' test for benefits that have that requirement, but are in a protected group that can have a 'European free movement right to reside' for the purpose of benefit claims if they meet certain conditions (seek advice).



A further 3.6 million EEA nationals and their family members hold settled status, which gives them the right to live in the UK permanently and enables them to satisfy the right to reside test for all benefits that have that requirement.

From September 2023, people with pre-settled status will automatically have their status extended by two years before it expires if they have not obtained settled status. They will be notified of the extension directly.

People with pre-settled status can apply to upgrade to settled status if they have been residing in the UK for at least five years. Applications are free and can be made on [gov.uk](https://www.gov.uk)

The Home Office also intends to take steps to automatically convert as many eligible pre-settled status holders as possible to settled status once they are eligible for it, without them needing to make an application. During 2024, automated checks of pre-settled status will establish their ongoing continuous residence in the UK.

DWP to use 'virtual' phone agents

DWP is introducing a new technology called conversational platform into its universal credit (UC) telephone system in Autumn 2023. This replaces traditional interactive voice response call journeys (in other words, press 1 for X, 2 for Y) with a voice-led solution that mimics human conversation.

The DWP "virtual agent" will ask the customer why they are calling, listen to the customer's response and will use automatic speech recognition and natural language understanding to identify what the customer is saying. Once (and if) the virtual agent understands what was said, it will respond by providing self-serve answers to straightforward enquiries. Where a further conversation with someone is required, the call will be routed through to a 'real' agent.

If, at any point during their interaction with the virtual agent, the customer asks to speak to a person, indicates they are vulnerable or notifies they are a phone claim, they will be taken out of conversational platform and routed to a telephony agent. DWP has also added limits on the number of error messages a customer can experience, or the number of times information can be repeated, meaning customers should not become trapped in the conversational platform.

Are your clients getting all their benefits? Really?

If you are working with people who tell you they are struggling financially and you ask them if they are getting all their benefits and they say yes – do you stop there?

Benefits can be complicated, and it's easy to accept what someone says without exploring further. The introduction of universal credit (UC) means that most people think if they're getting this – that it must be right.

However, the MAU routinely find additional elements of UC - such as carer elements, or disabled child elements - are missing.

Another key area that is missed out is help with council tax. Council tax used to be the second largest monthly bill a household faces, after rent or mortgage, although recent increases to fuel prices have changed this somewhat.

There are **three** different ways in which someone may get help with their council tax bill; discounts, disability reductions, and the means-tested council tax support (also called council tax reduction). It's possible to get help from all three schemes.

The MAU has come across many cases where lone parents have claimed the 25 per cent single person discount in their council tax, but **not** the means-tested council tax support (CTS).

Cases mainly involve families in receipt of UC. Help with council tax is not included in UC. Under the old system, people claimed housing benefit for help with the rent, and an application for CTS was included in the same claim form. Help with rent is now included in UC, and many people are unaware they need to claim CTS separately – via the local council.

People who have temporarily come off UC and then restart their UC claim within six months (rapid reclaim), should also be aware that their CTS may not automatically be restarted. They should contact their local authority if in doubt.

Depending on the circumstances, a household may be eligible for up to 100 per cent reduction on their council tax bill. CTS may also be backdated if there is a good reason for not claiming earlier.

If circumstances change after CTS is awarded, for example if someone starts to be paid a disability benefit, or becomes a carer, entitlement to CTS may increase again. It is important to report any changes, so entitlement can be correctly calculated.

CTS is not one of the benefits that counts for the benefit cap. Each local council administers its own scheme. See the relevant local council's website for more details on the relevant scheme, details of how to apply for this, and any discounts and disability reductions.

Warning to self-employed UC claimants

In early September 2023, some self-employed universal credit (UC) claimants received a statement on their online journals, saying that their UC award could be changed within the next two months. The message from the DWP continues “We are correcting the calculation we do to work out payments for people like you, who are 'gainfully self-employed' and have a partner who also has earnings. Most people in this situation will find that their payment goes down.”

This does not appear to be due to a change in the law. The Low Incomes Tax Reform Group has suggested that this issue could be linked to joint claims by couples where there is a self-employed person subject to the minimum income floor (MIF) (an assumed level of earnings), with a partner getting PAYE income. The DWP may have incorrectly calculated UC for claimants in those circumstances, resulting in overpayments.

The rules for the minimum income floor are complex; see [here](#) for further information.

At the time of writing, the DWP has not issued a public statement. Affected claimants should seek advice.

Students and universal credit

It's that time of year when students begin or return to university education. Most full-time students aren't entitled to universal credit (UC), and are expected to manage on their maintenance loan. However, some students can claim UC to 'top up' their loan. This includes couples where only one partner is a student, lone parents, and some disabled students.

Student loans for maintenance count as income in UC calculations, subject to certain disregards. These claims often baffle the DWP because they have to be done manually, and errors frequently occur. Common errors include:

- failing to ignore any 'special support element' of the maintenance loan
- forgetting to deduct the £110 a month allowance for expenses
- allocating student finance income over the whole year instead of the academic year
- simply telling students that they aren't entitled to even claim.

For full facts, see our Students and universal credit factsheet at www.hertfordshire.gov.uk/benefits.





Parents of young children face increased work related requirements under UC

Since the end of July 2023, universal credit (UC) claimants with very young children are now being required to have more frequent meetings with their Jobcentre work coach:

- Parents or guardians who are the ‘responsible carer’ of a one-year-old are now expected to have a work-focused meeting with their work coach every three months instead of every six months. (They still aren’t obliged to prepare for work, look for work or be available for work.)
- Parents or guardians who are the ‘responsible carer’ of with a two-year-old are now expected to meet with their work coach every month instead of every three months. They are not obliged to look for work or be available for work, but (as was already the case before July 2023) are expected to take steps to prepare for work.

Later in 2023, the DWP plans to require increased work-search and work availability from parents or guardians who are the responsible carer of a child aged three to twelve. Parents and guardians of children in this age group will potentially be required to be available for work for up to 30 hours a week (in contrast with the current guidance, which stipulates 16 hours per week for the responsible carer of a three-year-old or four-year-old who hasn’t yet reached compulsory school age, and 25 hours per week for the responsible carer of a school-age child under 13).

Some exceptions apply, for example if the responsible carer has limited capability for work-related activity or is caring for someone who gets a qualifying disability benefit, is in the last 11 weeks of pregnancy or a survivor of domestic violence. Responsible carers of a child under one are not expected to attend interviews. Seek advice if in doubt.

UC Regulation 88 says that the DWP should take into account whether work-related requirements are compatible with caring responsibilities, and, in the case of school-age children, should take into account the child’s normal school hours (including the normal time it takes the child to travel to and from school).

It is important for claimants to attend interviews (or contact their work coach to reschedule if unable to attend), or they risk having their benefit sanctioned. Claimants can request a mandatory reconsideration if a sanction is applied unreasonably – seek advice.

Disregarded capital and universal credit

With the forthcoming managed migration to universal credit (UC) in Hertfordshire at some point in the next year, and the abolition of legacy benefits, more people in Hertfordshire are claiming UC. UC has an upper capital limit of £16,000, resulting in no entitlement if the claimant has capital over £16,000, except for tax credit claimants protected by the 'transitional capital disregard' (see Herts Adviser May 2023). Any capital over the lower capital limit of £6,000 but below the upper capital limit of £16,000 will result in the DWP applying a tariff income of £4.35 a month for every £250 (or part thereof) over £6,000. This is treated as unearned income and reduces the claimant's UC pound for pound.

However, backdated payments of benefits are ignored for 12 months (sometimes longer if this is due to official error – seek advice), and so should not be considered when assessing capital. The most common reason for a lump sum backdate could be a backdated PIP payment as claims are taking a long time to process. However, it could equally apply to other benefits and to successful appeal outcomes.

As claimants are not usually aware of this law, and benefit letters do not advise of the rule, UC claimants are declaring all their savings, including the backdated benefit. They are then either not entitled to UC due to their capital being more than £16,000 or have their UC reduced due to tariff income (see above).

To prevent this, UC claimants should declare all their capital less the amount of backdated benefit when making a claim. It would be advisable for them to affirm in their UC journal that the amount of capital declared is less due to the sum of backdated benefit.

It is the claimant's responsibility to tell the DWP if they still have any of the capital left after the 12 months. Note that the deprivation of capital rule does not apply to lump sum backdated benefits, so there is no restriction on how they spend this money.

Example:

A single person makes a claim for UC. They have recently been awarded the enhanced daily living component of PIP and been paid a lump sum payment of £2,645 backdated to the date of claim 26 weeks ago. This, when added to the claimant's £4,500 savings, would normally incur a tariff income of £21.75 a month (5 x £4.35) and reduce their maximum UC by that amount. However, if they declare their capital of £4,500 and spend the £2,645 within 12 months of receiving the payment, their UC is not reduced by tariff income. The claimant also puts a note on their journal to this effect.



Note, it is always worth a UC claimant advising the DWP when any of their capital over £6,000 decreases, to reduce or negate the tariff income.

Pensioners might get backdated benefit bonanza!

Home Responsibilities Protection (HRP) was a scheme to help protect parents' and carers' entitlement to state pension. National insurance (NI) credits replaced HRP from 6 April 2010.

But many older pensioners have HRP missing from their NI records. This could affect their state pension. The Department for Work and Pensions (DWP) and HM Revenue and Customs (HMRC) are now working together to correct the error and it may mean substantial backdated pension payments.

Who may be affected

If someone claimed child benefit before May 2000 and did not provide their NI number on the claim, their NI record may not show the correct number of qualifying years of HRP. This may affect their state pension entitlement. Women in their 60s and 70s are most likely to be affected.



If someone first claimed child benefit after May 2000, they will not be affected, as it became compulsory for the NI number to be included on child benefit claims.

What will happen next

There are no longer records available for everyone who may be eligible for HRP. This is because child benefit records are deleted five years after the claim ends, for data protection. HMRC is using NI records to identify people who:

- may have been entitled to HRP between 1978 and 2010 (i.e. have children who are or would be aged 13 to 45)
- have no HRP on their NI record

From Autumn 2023, HMRC will start contacting people who meet these criteria, in phases. Those over state pension age will be contacted first. If they are eligible, they will be able to claim online. If they are over state pension age and not able to use the online tool, they can call the **National Insurance Helpline** on 0300 200 3500 for support. There is also **extra support** available for people who need it.

If an affected pensioner has now died, their families will be entitled to check their eligibility and make a claim for any arrears they are owed.

Once the application is processed, HMRC will update their NI record. DWP will recalculate state pension entitlement for those over state pension age, and let them know their recalculated pension entitlement and whether they are due any arrears.

HMRC will collect any income tax due on increased pensions and arrears. An increase in state pension could also affect other benefits, such as pension credit.

Income support review exercise

The DWP is conducting an exercise to compensate people who claimed income support (IS) but should have been advised to claim income-related employment and support allowance (ESA) instead. IS claimants may qualify for a special payment if they claimed IS on or after 31 January 2011 and were not receiving incapacity benefit or severe disablement allowance at the time. They will need to have a work capability assessment, and will receive a payment if they are found to have limited capability for work or limited capability for work and work-related activity. Claimants who have moved from IS to ESA or universal credit may also qualify.

Claimants who think they may be entitled should phone the DWP on 0800 169 03103 and say they're enquiring about the ['Income support claims review exercise'](#).

After a claimant applies, DWP will compare what they were paid on income support with what they should have been paid on income-related ESA. If they would have been paid more on income-related ESA, they will be paid the money they should have had. If they got more on IS than they would have got on income-related ESA, they will not have to pay the extra money back.

War widows recognition payment



From Winter 2023, additional lump sum compensation payments of £87,500 will be available to some bereaved partners of members of the armed forces. Prior to a rule change in 2015, bereaved Armed Forces spouses, civil partners and eligible partners, forfeited their war widows' pensions if they remarried or cohabited. Members of this group will soon be able to apply for one-off payments. Payments will be made to those who forfeited their entitlement to a pension for a service attributable death prior to 2015 and have not had this pension restored through divorce or subsequent bereavement.

The Government will pay £87,500 to each eligible widow/er. The scheme is scheduled to be ready to receive applications from Winter 2023, and application details will be available on gov.uk. The process will remain open for two years with support for applicants provided by the [Veterans UK Call Centre](#).

The lump sum payment will be taxable, and at the time of writing it has not yet been confirmed how it will affect other benefits.

Further information is available about the war widows recognition payment is available on gov.uk

Saving and spending

Buses

The [£2 fare cap scheme](#), which caps a single bus fare at £2 on most routes across Hertfordshire, has been extended to 31 October 2023. From 1 November 2023, the bus fare cap will increase to £2.50, which will last until November 2024. Hertfordshire residents who have an [older person's bus pass](#), [disabled person's bus pass](#), or [companion bus pass](#) can use their pass for free bus travel in Hertfordshire at any time.



Obstacles to Child Trust Funds

Young adults with learning disabilities often face difficulty accessing their Child Trust Fund (CTF) accounts after they reach 18. Often, a parent or guardian will have already been given appointee status by the DWP, allowing them to claim benefits on behalf of the young person – but that doesn't enable them to access the CTF. If the young adult lacks mental capacity, the parent or guardian must [apply to the Court of Protection \(COP\)](#) to become a property and financial affairs deputy, in order to access the CTF. The standard application fee is £371, though exemption from the fee may be granted if the person who lacks capacity has a low income and low capital, or on a [discretionary basis](#). COP applications can take months to process.

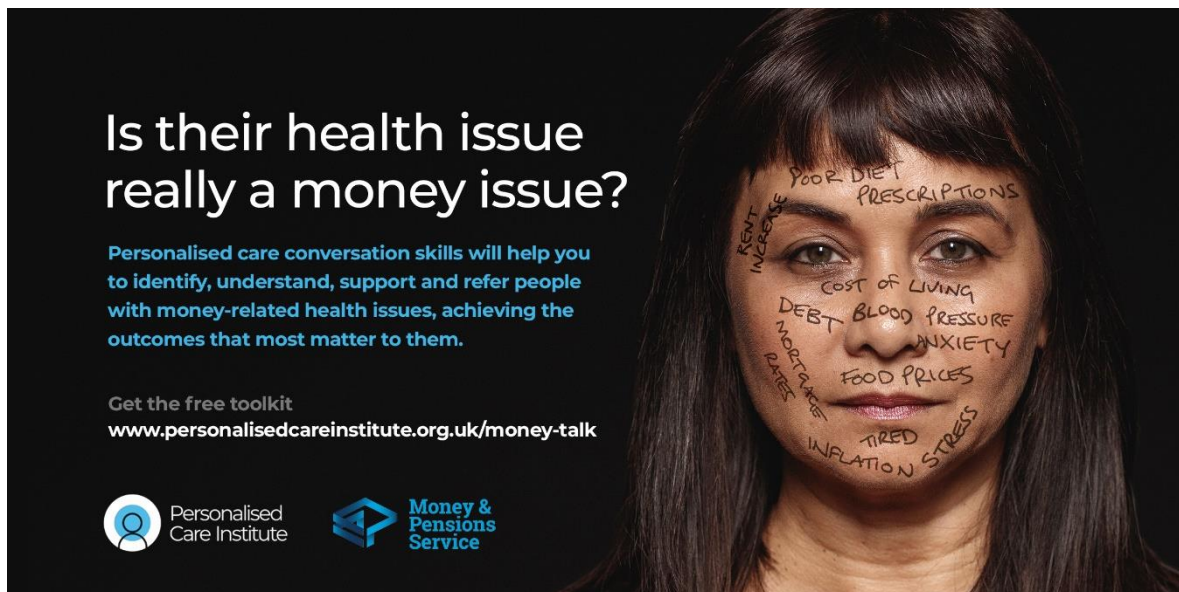
Earlier this year, campaigners urged the government to increase the scope of the DWP appointee scheme to cover CTFs and Junior ISAs up to £5,000. The Government has declined to do this. They have issued a [toolkit for parents and carers](#) on gov.uk, which advises “If you believe that a young person in your care will lack capacity when they reach adulthood, in good time before they turn 18 you should put in an application [to the COP].” If a COP application is made before the young adult's 18th birthday, the funds held in the CTF will not count as capital.

ULEZ expands, but some people with disabilities are exempt

The Ultra Low Emission Zone (ULEZ) expanded to the border of Hertfordshire on 29 August 2023. People driving into the ULEZ zone must pay a £12.50 daily charge if their vehicle doesn't meet ULEZ emissions standards, unless they are exempt. The Transport for London (TfL) website has a [vehicle checker](#) and [postcode checker](#)

There are [discounts and exemptions](#) from the ULEZ charge for some categories of vehicles and users. Blue badge holders are not automatically exempt, but vehicles registered with the DLVA as being exempt from road tax because of a disability will be exempt until October 2027. Some disability benefit claimants or people meeting medical criteria (or their nominated driver) can apply to TfL for exemption status until October 2027. NHS patients travelling to hospital appointments in the ULEZ zone may be able to reclaim the cost of the ULEZ charge from the hospital if they have been clinically assessed as too ill to travel to an appointment on public transport.



Poverty and health



Is their health issue really a money issue?

Personalised care conversation skills will help you to identify, understand, support and refer people with money-related health issues, achieving the outcomes that most matter to them.

Get the free toolkit
www.personalisedcareinstitute.org.uk/money-talk

 Personalised Care Institute  Money & Pensions Service

Links between poverty and poor health have long been established. Research reported by [The Health Foundation](#) found that 30 per cent of adults living in persistent poverty are in poor health, compared with 25 per cent of adults living in poverty and 15 per cent of adults not living in poverty.

A survey of health and care professionals by the Money and Pensions Service and the Personalised Care Institute in April 2023 found that, over the previous six months, half of the professionals had noticed a rise in money-related health issues – but the majority feel unequipped to have financial conversations.

There is now a new [‘Money Talk Toolkit’](#) to help health and care professionals to tackle the issue. It provides a collection of free courses and resources, designed to help them to discuss money worries with patients using personalised care approaches that recognise the wider factors, such as financial wellbeing, which can impact on a person’s health.

End to Friday prison releases

Thousands of prisoners vulnerable to addiction, mental health issues or homelessness will no longer be released on Fridays as a new Act to reduce reoffending became law on 29 June 2023.

Prior to the new law, around one in three left custody on a Friday – giving them just a few short hours to access critical support, such as finding a bed for the night, registering with a GP and signing up with the job centre, before services shut for the weekend.

Query from the MAU advice line

Every working day, the Money Advice Unit answers benefits queries from statutory and voluntary organisations on our advice line on 01438 843444 (9.30 am - 12.30 pm) or by email at moneyadvice.unit@hertfordshire.gov.uk This advice line is for professionals only.



Question

My client is 73, and has been getting lowest rate disability living allowance (DLA) care component for many years. His health has deteriorated, and he is now having a lot of difficulty at home and struggles with walking. Can he apply for an increase in his DLA, or apply for the DLA mobility component? Or does he need to apply for attendance allowance?

Answer

DLA claimants who were under 65 on 8 April 2013, (and those who were previously entitled to DLA but their entitlement ended less than a year ago) can claim personal independence payment (PIP) even if they are now over pension age. (Regulation 27 of the PIP Transitional Provisions Regulations 2013).

This client won't be able to get an increase in his DLA, but can apply for PIP instead. Because he is getting DLA and was under 65 on 8 April 2013, there will be no restrictions on his entitlement to PIP mobility component on his new PIP claim.

He could potentially be up to £152.31 per week better off if he transfers from DLA to PIP (plus potential increases in means-tested benefits or carer's benefits if he has a carer.) However, bear in mind that some people risk being worse off if they transfer from DLA to PIP, so it is always worthwhile checking the qualifying criteria or seeking advice if in doubt.

He can start a claim for PIP by phoning 0800 917 2222. In our experience, some DWP staff are not fully aware of the rules about claiming PIP when over pension age in these circumstances. So he may benefit from having support with the phone call, to make sure the DWP accept his application for PIP and issue a PIP form for him.

The DWP's [Advice for Decision Making guidance](#) also describes these rules at paragraphs P5107 to 5108.

In theory, this client could claim attendance allowance (AA). However because he has mobility difficulties he is likely to be better off on PIP, since AA has no mobility component.

