



News in Brief

Welcome to the summer edition of News in Brief. Below is a round-up of the latest benefit news that we hope you will find useful for your work.

Contents

Pre-settled Status – automatic extension

Income Support and disability – special payments

Support for Mortgage Interest – rate changes

Work-related requirements for parents of young children

Personal Independence Payment – light touch reviews

Universal Credit ‘virtual agent’ telephone system

Managed migration

Pre-settled Status – automatic extension

After losing a High Court challenge, the government have announced that they will automatically extend Pre-Settled Status for two years for those who have not yet been granted Settled Status. This will commence in September 2023 and people will be notified directly. The press release also states that ‘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.’

For more information, visit: www.gov.uk/government/news/eu-settlement-scheme-enhancements-confirmed

Income Support and disability – special payments

If you made a claim for Income Support on or after 31 January 2011 due to a disability or health condition, you should have been told to claim income-related Employment and Support Allowance instead. As this didn’t always happen, the government have announced ‘special payments’ for those who have lost out.

You may be eligible if:

- you made a claim for Income Support on or after 31 January 2011 because of a disability or health condition, and
- you were not getting Incapacity Benefit or Severe Disablement Allowance when you made that Income Support claim.

If you are still receiving Income Support, you will be assessed to find out if you should move to income-related Employment and Support Allowance. You will only be eligible for a special payment if you are assessed as having limited capability for work or limited capability for work and work-related activity.

If you have already moved from Income Support to income-related Employment and Support Allowance or Universal Credit, you may be eligible if you had a Work Capability Assessment when you moved and were found to have limited capability for work or limited capability for work and work-related activity.

Contact Jobcentre Plus and say you're enquiring about the 'Income Support Claims Review exercise'.

For more information, visit: www.gov.uk/guidance/apply-for-a-special-payment-if-you-claimed-income-support-because-of-a-disability-or-health-condition

Support for Mortgage Interest – rate changes

There are two interest rates involved in Support for Mortgage Interest loans:

- There is the interest rate involved in the calculation of the amount that you can borrow – from July 2023 this has increased from 3.03% to 3.28%.
- There is the interest rate used to calculate the amount of money you have to repay – from May 2023, this has increased from 2.09% to 2.65%.

A written statement published alongside the second interest rate rise above also recapped the recent changes to SMI eligibility:

'To support low-income mortgage borrowers with rising interest rates, from April 2023, we extended the support SMI provides by allowing those on Universal Credit to apply for a loan after three months, instead of nine. We also abolished the rule which prevented Universal Credit claimants from receiving support if they were in work.'

For the full statement, visit: questions-statements.parliament.uk/written-questions/detail/2023-06-26/191193

Work-related requirements for parents of young children

As announced in the Spring Budget, from 24th July, Universal Credit claimants who are responsible for young children are now required to meet their work coach more regularly. The press release states:

'The meetings increase the opportunity to engage and encourage claimants to think about a job in the future, consider the steps they can take and secure jobs when their child is older. Parents with a one-year-old will start to have a work-focused meeting with their work coach every three months instead of the current every six months. Parents with a two-year-old meanwhile will start meeting with their work coach every month instead of the current every three months. Claimants will be told of the change at their next scheduled appointment with their work coach.'

For more information, visit: www.gov.uk/government/news/thousands-of-parents-to-benefit-from-more-work-coach-support

Personal Independence Payment – light touch reviews

PIP was introduced in 2013. The first claimants who received an ongoing award are now due for their 10 year 'light touch' reviews. Ongoing awards are intended for people whose needs will not change or will only get worse.

The DWP have confirmed that the first light touch reviews will start in August, and will consist of a short form to check that all information is up to date and that nothing has changed. The DWP also advise that in most cases, an assessment with a health professional will not be necessary.

For more information, visit: www.gov.uk/guidance/the-personal-independence-payment-pip-toolkit

Universal Credit 'virtual agent' telephone system

From late September 2023, the DWP is introducing a virtual agent telephone system for Universal Credit that will replace 'Interactive Voice Response call journeys (in other words, press 1 for X, 2 for Y) with a voice led solution which will interact with customers in a way that mimics human conversation.'

The announcement also states that 'If, at any point during their interaction with the DWP 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. We have also added limits on the number of error messages a customer can experience, or the number of times information can be repeated, meaning a customer will not become trapped in Conversational Platform. So, if it's not working for them, we will route them to a telephony agent.'

For more information, visit: www.gov.uk/government/publications/la-welfare-direct-bulletins-2023/la-welfare-direct-82023#new-conversational-platform-on-uc-telephony

Managed migration

DWP have published their research and insights gathered from the migration of tax credit claimants to Universal Credit.

The research has found that:

- 'there is confusion that Universal Credit is only for people 'out of work', rather than also being for those 'in work';
- there is a belief that they would be moved to Universal Credit automatically;
- some individuals had recently renewed their tax credits so did not believe they would need to claim Universal Credit;
- there is a belief by some claimants that they are not able to make a claim to Universal Credit if they have capital over £16,000.'

DWP have moved to address these issues through clearer information in the migration notice.

Worryingly, there remains a small but consistent number of tax credit recipients who do not go on to claim Universal Credit once they have received their migration notice.

'Findings so far show the following emerging themes:

- some claimants who do not claim Universal Credit on receiving a Migration Notice are making a conscious decision not to claim. Where the amount they would receive was particularly small, some claimants did not see it as worthwhile to claim given the time they perceived would be needed to apply to Universal Credit and comply with subsequent requirements;
- some claimants believed they were not eligible for Universal Credit, as their circumstances had recently changed and their tax credits had already stopped. In some cases, this was emphasised by a recent increase in income;
- finally, there was a sense from some claimants that they felt a stigma attached to claiming Universal Credit as it combined in work and out of work benefits. Some claimants reported that they didn't feel they needed Universal Credit as their income was sufficient and they believed that benefits should only be for those who really need them.'

For the full report, visit: www.gov.uk/government/publications/completing-the-move-to-universal-credit-learning-from-initial-tax-credit-migrations