

TRANSCRIPT

Benefits newscast

May 2022

David Stickland: [00:00:03] Welcome to our May Benefits Newscast. I'm David Stickland and I often deliver our introduction to Welfare Benefits course. I'm joined by Will Hadwen, who delivers our Universal Credit in Depth course regularly, and Lindsay Fletcher, who delivers a range of our courses, often including our Limited Capability for Work course. We're all bringing with us three items today news stories, developments in legislation, case law, guidance, or simply stuff that's come across our desk in our casework, things which we think are important, which we should share. So in a moment, we'll find out what they are, whether we've brought the same items or different items. We might share some links with you. We'll put those on the screen perhaps, and we'll also make them available for you after the newscast. So if you'd like to find out more, you can use the links which you'll find below. Let's get underway straightaway. So, Will, I'm going to turn to you first. Perhaps you can share with us one of the items which you've got on your list.

Will Hadwen: [00:01:04] Absolutely. Well, something that was a bit of a shock yesterday and which is maybe keeping me awake at night, is that managed migration is definitely happening. It's almost upon us. It's going to start in May, apparently. We still don't know very much about it. The DWP have said it'll be a multi-site approach, whatever that may mean. So not one specific geographical area. But at the same time as that managed migration starts, which is the process of sending notices to people saying your legacy benefits will come to an end. Here's your deadline for claiming you see the same time as that's happening. There's also a big push for people to move to UC voluntarily, which I'm also very worried about. So when people get their tax credit notices saying you've got to do your annual review or declaration, it will suggest that they might be better off when you see which indeed some of them will be. But we know that what money you get isn't the only factor. And also, I worry that people sometimes might be about to experience a change of circumstance, which might mean that you say is not as good for them as it initially looks, and they're not going to get any personalised support with that. So, yeah, I'm I'm quite worried. I don't know how you're feeling, Lindsay.

Lindsay Fletcher: [00:02:24] Yeah, I know. I totally agree with you. I think it's one of them. We've been putting it off as long as we can, haven't we? I think with it's inevitable now it's going to happen. I think they've said they're going to start with 500 lucky or unlucky people who will get the lovely letter on their doorstep. I haven't actually seen a copy of it. I don't think they've decided on the exact wording yet, have they? And that's probably one of the main issues, isn't it? So 500 people and I read in the guidance today,

they've said that it's 2.6 million, they estimate, still on legacy benefits and they were saying on 1.4 will be better off. And I just thought -so 1.2 m will be worse off.

Will Hadwen: [00:03:13] Well, they're actually saying that there's a certain percentage that will be the same. When you think about it, that's clearly true. Like, say, somebody on income-based jobseeker's (allowance). No dependents, no disabilities and housing benefit. They would be the same.

Lindsay Fletcher: [00:03:29] Did you notice well that the you see standard allowance and things is about 20p more than legacy benefits.

Will Hadwen: [00:03:38] Yeah, there are some small differences like that in a lot of the elements.

Lindsay Fletcher: [00:03:42] Do you think that's why they're saying people will be better off just to actually, you know, give them a benefit of the doubt?

Will Hadwen: [00:03:49] I don't. But I mean, I might be wrong. So I think what they're saying is there's about 30% of people that will be worse off. And then a smaller cohort will be the same and then a cohort will be better off and the same. That's mostly to do with the taper rates. But as I say, I think they're missing out several things from their analysis. One of which is that it's not just about the amount of money. People are really scared. Some people are really scared of moving to UC. Yeah, for various reasons. Other issues might be things like how you budget. If you're not paid monthly and you have a different payment frequency, that's if you don't get support with that and you don't get told how it's going to work, that could really cause you problems. So I just think that more money needs to go into supporting people and it should take longer. I don't think 2024 is a reasonable goal because it should take longer to do it properly and to do.

Lindsay Fletcher: [00:04:46] It.

Will Hadwen: [00:04:46] Well.

David Stickland: [00:04:48] I saw this story and of course it got my attention, not least because on our introduction to benefits course, we raise this issue and we talk about the natural and the managed migration and that the managed migration isn't happening yet, but it's apparently upon us quite soon, etc, etc. So this this got my attention. One of the things that jumped out at me though as well with some of the terminology and there was another story, I think, or another piece of publicity which talked about learning by failing on occasion. That was a - did you see that? That was a term which I think basically

suggested we're going to keep the numbers really small, a bit like the surrogate pilot. When was it two years ago or something?

Lindsay Fletcher: [00:05:31] Just 38.

David Stickland: [00:05:33] Yeah, it was that. So now it's up to 500 as an estimate. So I think what we can take from that practically is that it's going to be small numbers. Right. And we're unlikely to be working with claimants who get the letter and that DWP is going to be learning by failing on occasion, which is not so good for those people involved.

Lindsay Fletcher: [00:05:56] I'm kind of a shout out to local organisations and things and said, you know, if anyone comes across your door who's waving one of these letters in a panic, you know, please refer them to us because we're really interested in helping with the process of seeing what the letter is and what actually happens with the process and how smooth it is. So I think all we can say is, like I said, it's going to happen is just if you do get the opportunity to come across anyone and you can help with this, it's just, you know, we always worry about all them people who don't come to us for help, don't we? But we'd all have sleepless nights if we worried about them. And all we can do is help the people who we do get the opportunity to assist. And that was - this overlaps with one of the things on my list - was about we've kept hearing in the office on the radio this week the natural migration advert. I've even seen it on my Snapchat.

Will Hadwen: [00:06:54] Yeah, yeah. I've seen it on bus stops actually.

Lindsay Fletcher: [00:06:56] Well start not been on the bus for a while. Well definitely almost not much.

Will Hadwen: [00:06:59] Depends what you do.

Lindsay Fletcher: [00:07:01] Yeah.

David Stickland: [00:07:01] So this is the advert encouraging people to sort of jump on board early kind of thing to keep this sort of bus analogy going.

Will Hadwen: [00:07:07] Yeah, right.

Lindsay Fletcher: [00:07:08] Yeah.

Will Hadwen: [00:07:10] But if anything, I'm more worried about because they won't get transitional protection.

Lindsay Fletcher: [00:07:14] Now, I do think they've took on board feedback and the disclaimer at the end, if you keep listening to the end is quite good in that, you know,

use the benefit checks and seek advice and you can't go back and you might be worse off. But we all know that it's like the small print, isn't it? And people, you know, where do they get that advice from? They've already said that Help to Claim is not there apparently to actually advise on whether UC is the best option.

Will Hadwen: [00:07:44] Yeah.

David Stickland: [00:07:45] And so moving forward in terms of advice and how we should approach this, it's going to be very small numbers, which I suppose is not a surprise. So the natural migration really remains the big deal. I guess if you look at the government announcements, they're saying it's still on track for 2024. So presumably they're thinking it's going to be 500 initially, but then to scale it up very quickly. But we'll have to wait and see whether that happens and whether it does get scaled up. In the meantime, as you were saying, Lindsay, keep sort of thinking about better off, worse off scenarios. Consider there's significant risk despite the adverts. Yeah, get some independent advice before claiming universal credit and as much as possible trying to sort of warn people of this before it happens. So if you're working with legacy benefit claimants, let's try and remind people that for the vast majority, pretty much everybody claiming universal credit is still a choice.

Lindsay Fletcher: [00:08:42] You don't just familiarise yourself with the fact that every change of circumstance isn't it doesn't mean a claim has to be made for UC. And familiarize yourself with the main groups who might be worse off. People with steps, tax credits, claimants with capital. You know, people like that. People with disabled children and their main groups. But then, like we've said before, it's not just the financial considerations. You know, on legacy benefits, your partner often doesn't have to do anything, doesn't have any claimant commitment. So that's going to be a shock to a lot of people. Suddenly, a partner has to do some things to get their money. You know, the five week wait, monthly payments, you know, like Will said, if it's future changes coming up. Benefit calculators don't factor that in now. They just look at the here and now. Mm hmm. Which is where, you know, specialists like ourselves and things will always look holistically at the bigger picture of the household.

David Stickland: [00:09:44] And if in doubt, contact us on our advice service. And one of us will be happy to look at it and. Yeah, help. Okay. Very good. Thanks for raising that. Well, Lindsay, let's consider one of the other items on your list. I know you mentioned one of them to some extent there, but what else have you got?

Lindsay Fletcher: [00:10:03] And I mean, it does interlink quite a bit. But we were just talking obviously about the April uprating and a lot of people didn't realise, obviously you've got the general standard allowance has gone up and a lot of people didn't realise

the work allowance on universal credit has increased. So that's good. If you're on ESA and you do permitted work, the amount you can earn has gone up. If you're on carer's allowance and you're working again, the amount you can earn is increased. But there's a lot of things which haven't, quite shockingly, haven't increased like the amount for the benefit cap hasn't increased. So if you **the operating** just gets taken off, you're in the benefit cap. The amount you earn to be exempt from the benefit cap has increased. So if people were just on the borderline and they don't get a pay rise, which a lot of people don't, suddenly'll have the benefit cap kick in and local housing allowance is not going up. The capital limits have not gone up for years. The maximum you can get in childcare costs and UC has not gone up. You know, there's so many things have not increased, isn't there?

David Stickland: [00:11:17] And this really gets me as well. When you think of the 2015 five year freeze that was imposed by George Osborne back then to keep rates static until 2020, which had a horrific effect, and that was discussed much with the the COVID increase that was never retained. So all of these things add up, don't they? And I'm wondering if is there any sort of possible cause for hope on the horizon? I only say this because one of the things I noticed was a letter from one of the committees chaired by Bernard Jenkin. I think it's not one of the committees that usually I notice writing to Boris Johnson, actually, because apparently he had heard, he had committed to to look at the possibility of uprating midyear given the cost of living crisis. But, you know, and that seemed to be a small ray of hope, perhaps, but maybe not even a ray, because it was pretty much a footnote amongst other things. But is there any anything else that we can sort of look to as a possible developments in that - cases, court cases that we can think of? There's nothing else that I can think of.

Lindsay Fletcher: [00:12:23] I just think nowadays a lot of the queries we all get is just the general cost of living, isn't it? The cost of living where is? And I think it's having kind of a checklist next to you of looking at all the additional things. As long as you check someone's benefits and they get and everything they can get is looking at them additional things. It's looking at, you know, your healthy start vouchers, your free school meals, your HHC1 form. If people are on a low income for NHS costs, you know, and then are discretionary awards, which unfortunately a lot of people have to rely upon now, you know, the household support fund and discretionary housing payments. So I think it's all the extra things that people kind of need to remember more so which often a lot of advisers forget about, which are going to be more important. And you think, well.

David Stickland: [00:13:16] Good points.

Will Hadwen: [00:13:17] I, I don't think I can't really see any particular reasons to hope that the situation will change any time soon. But I think, um, as well as what we might

think of as the passporting benefits and the discretionary help that Lindsay mentioned, there are also a number of social tariffs for things like broadband, for example, and - sort of straying into money advice really. But I went on a really interesting webinar with policy and practice about those recently and, and whilst I don't feel competent to advise on them, I think it is maybe something that I would pass to a colleague if someone was really struggling to say, okay, I can't maximise your benefits any further. Got you all the extra bits and bobs you can get, but maybe talk to my colleague about what savings you can make.

Lindsay Fletcher: [00:14:03] Yeah, I think it's just advice organisations working together more so than ever and just looking at the energy trusts and the water share schemes and discretionary council tax payments and all them extra things. And you know, like I said before, just looking holistically at everything, but I just think that a lot of people will think my benefits are going to go up in April and then they get quite a shock because of all the rules, you know, like a severe disability premium, **Iraq**, transitional element, erosion, and they don't go up and everything else has gone up. So it's you know, it's - there's no answers. It's just highlighting the fact that how difficult times are for everyone in work, out of work or on a good income. It's you know, it's difficult.

David Stickland: [00:14:53] Okay, good. Good tips. Thanks for that. Thanks for that, both. One of the items that I had and I've got this on my list for a couple of reasons is the new DWP guidance in respect of Ukrainian nationals? And obviously because we'll be working with people who are fleeing the Ukraine and will need to claim benefits here in the UK. And also because it's a reminder of some of the rules which can affect anybody returning to the UK potentially. And so these are specifically to relax the rules or to exempt Ukrainian nationals from the habitual residence test for means tested benefits, including universal credit, most importantly perhaps as well as exemption from the past presence test for disability benefits, which could include personal independence payment as well as disability living allowance perhaps. So I just really wanted to flag that up. There is some guidance which I think we have on our website right now. I'll just put it on the screen. It'll be in the links that we share (*see SOURCES*). Here it is on the screen. And you can you can get this, as I say, on our website, we'll also put a link below. But essentially it provides for those exemptions around means tested benefits and disability benefits in particular. So basically that means, right, that whereas usually there would be a wait which might be a relatively short wait or could be a much longer

wait, could be for PIP. The requirement is to have been present. The past presence test is.

Lindsay Fletcher: [00:16:29] Two three out.

David Stickland: [00:16:30] Of the last three years, right?

Will Hadwen: [00:16:32] 104 weeks.

David Stickland: [00:16:33] 104 weeks out of 156 weeks. Yeah. So that's a long time. But but of course if you're working with a Ukrainian national, none of that applies.

Lindsay Fletcher: [00:16:45] No - really good news and very, very practical and just very, very positive in all respects, even for the people who are, you know, housing Ukrainian residents as well. They've confirmed it won't affect their benefits, it won't affect STPS, it won't affect single person council tax discount. So yeah, positive all around on that, which should be good.

David Stickland: [00:17:06] And it's also a reminder, I guess I often say on our Introduction course if it seems unfair and if it seems wrong, it might be wrong. And you should check which of course people can do with our advice service. And so there are some other exemptions. It's not just Ukrainian nationals, of course, so it's always worth if it seems unfair, contact us and we will be we'll be happy to help you on a case by case basis. Perhaps we can do one more before we finish briefly, is there anything that you've got on your list, either of you, that you'd like to raise?

Will Hadwen: [00:17:40] I was quite excited to hear that the Government have apparently got an automated solution to extend PIP awards when your review is delayed. So it sounds like a small thing, but actually people do get really anxious when they've got a fixed term award and the reviews are delayed actually, partly because there are lots of new claims for PIP, which they've been prioritising. So the Government said recently, yes, we have sorted this out. I've yet to actually see an example of it being sorted out, but I'm hopeful. Lindsay, if you had any examples.

Lindsay Fletcher: [00:18:15] No, and it'd be really good to get feedback. They've called it an automated digital solution. I don't know if it's a robot or someone in the office, but. Being just good to get feedback of anyone who comes across that, whether it's working, not working. The same with the new PIP e-link claims. Being able to claim PIP online. Apparently they're doing, I think, ten a day where they'll send people the online link to fill in the PIP form rather than a paper form. But if you change your mind for any reason,

you're meant to be able to ring up and say, Actually, can I have a paper form? So again, good feed, good to get feedback on whether that's working in practice as well.

Will Hadwen: [00:18:59] Yes, absolutely. Good. Yeah.

David Stickland: [00:19:03] Thanks. It's brilliant. So I think we're going to end it there. I'd like to remind everybody, if you've been on a course with us in the last 12 months, you have access to our advice service automatically. So you can just email us

advice@benefits training.co.uk and you'll also have free access to our quarterly update webinars which are alive, their live events, they're slightly longer, they're 60 minutes. We run them every three months. We poll you before you attend. So we can we can identify the issues that you'd most like to discuss. If you haven't been on a course with us in the last 12 months, you can gain access to both the advice service and the free quarterly update webinars by attending trading with us. And of course, you'll find details of all of our courses on our website. Thank you both, Lindsay and Will, as ever. Very good. It's good to see you and wish everybody well. We'll see you again soon.

Will Hadwen: [00:20:00] Bye bye. Bye.

Lindsay Fletcher: [00:20:01] Thanks.