

# Benefits Matters

An update on benefits for people living and working in Lambeth



Issue 5  
December 2008



## Introduction

Welcome to the 5<sup>th</sup> issue of Benefits Matters. This information bulletin is designed to keep you up to date with:

- The latest news in benefits including what's happening in Lambeth
- Information about national policy development
- Links to useful websites and other useful resources

You will find information on:

- Latest update on the campaign
- Recent changes announced by the Chancellor
- Help available to those struggling with mortgage costs

## Campaign updates...



## Two and a half million and climbing

The Campaign continues to achieve excellent results and has now raised more than £2.5 million in extra benefits for Lambeth residents. The every pound campaign targets residents who are aged 60 or over, or those who are ill or disabled, including children, and the carers of these people. More than half of this additional income has been raised by helping ill or disabled adults and older people to claim disability benefits. The average income gain for people helped is over £3,000 per year.

If you would like us to give a talk to pensioners, or to people experiencing specific health problems or disabilities, or their carers that you are working with please contact Jualanne Hickey on 020 7926 4713.

## Training Opportunities



A new training programme has been arranged from January 2009. The following courses/dates are now available in the early part of 2009:

- **Introduction to Welfare Benefits**  
27 January 2009
- **Welfare Benefits - Introduction to the DLA and AA**  
24 April 2009  
24 June 2009
- **Welfare Benefits for People from Abroad**  
18 & 19 March 2009

- **Benefits for Carers**  
2 March 2009
- **Pension Credit**  
3 February 2009
- **Community Care and Social Security**  
18 May 2009

There will be no charge for these courses to ACS staff or partners in the voluntary and community section. Staff in ACS can book via Oracle. Partners in voluntary and community section can book by contacting Anne Banyai from Learning and Development in Adults' and Community Services. Contact Anne on Telephone: 020 7926 4563

## Latest news from the Chancellor's pre-budget speech

**Child Benefit and State Pensions** will increase in January 2009 ahead of the usual date in April. The State Pension will rise in line with the highest rate of inflation this year, producing a rise of £4.55 a week for a single person.

The Chancellor also announced that from April 2009:

- Pension Credit customers will have an above index increase, rising by £5.95 to £130 a week for single people and by £9.10 to £198.45 a week for couples. This is the highest increase ever.
- The level of the full State Pension will also rise in line with prices by £4.55 to £95.25 a week. This is the biggest rise since 2001.

Most National Insurance benefits will rise by 5 per cent, and most income-related benefits will be uprated by 6.3 per cent



### **Christmas Bonus** - additional payment

An additional amount of £60 will be paid between January and March to those who are over state pension age 60/65. It will be paid automatically in addition to the £10 Christmas Bonus.

The qualifying conditions for the Christmas Bonus are:

- resident or ordinarily resident in the United Kingdom during the relevant week
- or**
- ordinarily resident in the Channel Islands, Isle of Man, Gibraltar, EEA country or Switzerland
- and**
- entitled to a qualifying benefit during the relevant week

### **The qualifying benefits are:**

- State Pension
- Non contributory state pension (Over 80s pension)
- Pension Credit
- Attendance Allowance
- Disability Living Allowance
- Carer's Allowance
- Incapacity Benefit at the long term rate (currently £84.50)

- Severe Disablement Allowance
- Contribution-based Employment and Support Allowance (the support or work components)
- Bereavement Benefits: Widow's Pension; Widowed Mother's Allowance; and Widowed Parent's Allowance
- Unemployability Supplement and/or Constant Attendance Allowance with Disablement Benefit

For this year only the relevant week is the week commencing 22 December 2008 to allow for payment of the additional amount.

The Christmas Bonus is a tax free payment and does not affect any income-related benefits.

A dedicated number 0800 141 2591 has been set up by DWP to deal with customer enquiries. A message will also be played to callers to call 0845 606 0265, 0845 301 3011 and 0800 991 234. For more information visit:

- [http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On\\_a\\_low\\_income/DG\\_10018704](http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018704)

## Disregarding the January 2009 child benefit increase



New regulations have been issued further to the Chancellor's announcement in the pre-Budget report that the April 2009 child benefit increases are to be brought forward to January 2009.

The Social Security (Child Benefit Disregard) Regulations 2008 (SI.No.3140/2008) provide for child benefit to be disregarded as income for the purposes of calculating income support, income-based JSA, housing benefit and council tax benefit between 5 January 2009 (when the new child benefit rates are due to be introduced) to when the four income-related benefits are uprated in April 2009.

NB - however, in the case of income support and jobseeker's allowance the new regulations apply only to claimants who do not receive child tax credits since, for those who do, child benefit is already fully disregarded.

## Help with the cost of phone calls from BT



BT has introduced a new service to enable people with low incomes to afford a phone service. The new service is called BT Basic. It is aimed at customers who receive any of the following means tested benefits:

- Income Support
- Income-based Jobseeker's Allowance
- Income Related Employment Support Allowance
- Pension Guarantee Credit

If claimants haven't been sent a letter telling them that BT are transferring them to BT Basic, they must fill in an application form.

Call BT on **0800 783 1675** and request an application form for BT Basic. The named account holder must be the one to apply.

The application form asks for some personal information, such as date of birth and National Insurance number. They need these details to check records with the Department for Work and Pensions. These records will help them to find out whether

the applicant is eligible for BT Basic.

If they need any more information, they will contact the claimant directly. They will tell the person whether their application has been successful within one month of when they receive it.

## Post Office card account



On 13 November, the Secretary of State for Work and Pensions made a Statement to the House of Commons about the future of the Post Office card account (POCA). James Purnell announced that the Government has decided to cancel the current procurement exercise for a successor to the POCA. Instead, another contract will be awarded to Post Office Ltd. This contract will initially run from 2010 to 2015.

Existing card account customers can continue to be paid into their POCA, and do not have to take any action at all.

It is hoped that, subject to contractual discussions with Post Office Ltd, the new product will offer some enhancements to the existing card account. These may include a simpler opening process for customers, faster clearance of payments, access via cash machines, and the ability to correct mistakes.

## Useful Websites

We have updated our Every Pound Counts internet pages. We have included information for specific client groups and for referrers. Please visit our pages at:

- <http://www.lambeth.gov.uk/Services/AdviceBenefits/Benefits/BenefitsAdvice>

Previous editions of Benefits can be downloaded from the site. We would welcome your comments about the changes so please send any suggestions/comments you may have to [jcharris@lambeth.gov.uk](mailto:jcharris@lambeth.gov.uk).



First Stop Advice is a new free comprehensive one stop advisory service for older people, their families and carers covering housing, care, money and rights. One call to the advice line **0800 377 70 70** or one visit to [www.firststopcareadvice.org.uk](http://www.firststopcareadvice.org.uk) brings together the skills of four of the UK's leading organisations working in partnership for the benefit of older people, – Help the Aged, Elderly Accommodation Counsel, Counsel and Care and NHFA Care Advice.

- <http://www.firststopcareadvice.org.uk>

For information about BT Basic:

- <http://www.btplc.com/inclusion/phoneservices/services/btbasic/index.htm>

For information about the chancellor's pre-budget speech:

- [http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On\\_a\\_low\\_income/DG\\_10018704](http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018704)

## Recent Changes to the benefit system

### Changes to Help with Housing Costs when getting Income Support or Job Seeker's Allowance

Changes for help with housing costs that were previously expected from April 2009 are now to be implemented from January 2009.

- The maximum amount of loan for which help can be given will increase from £100,000 to £175,000 for loans taken out after 10/4/95.

- The existing 39 week waiting period before which costs are met will be reduced to 13 weeks.
- For those entitled to income-based Jobseeker's Allowance, this help will be paid for a maximum of 2 years where previously it would have been paid for the duration of entitlement to Jobseeker's Allowance.
- The capital limit for support for mortgage interest on new claims will rise to £200,000.



### **New scheme to help people at risk of repossession**

The Government has announced a new scheme to help people who suffer a temporary loss of income stay in their home.

The new Homeowner Mortgage Support Scheme will enable households that experience a significant and temporary loss of income as a result of the economic downturn to defer a proportion of the interest payments on their mortgage for up to two years. The Government will guarantee the deferred interests payments in return for banks' participation in the scheme.

The Government will work with lenders over the coming days to develop the scheme in detail, with a view to it being available to customers early in the New Year. The country's eight largest banks have already pledged that they will work with the Government to develop the scheme.

The Chancellor said:

“This is real help for homeowners at risk of repossession through no fault of their own. The scheme will give people who face a temporary fall in their income the confidence that they need to rearrange their finances so they can come through a difficult period without losing their home.”

### **Eligibility for 'Rapid Reclaim' to be extended**

The DWP has issued new guidance to local authority housing benefit departments in relation to an extension of the eligibility conditions for 'Rapid Reclaim'.

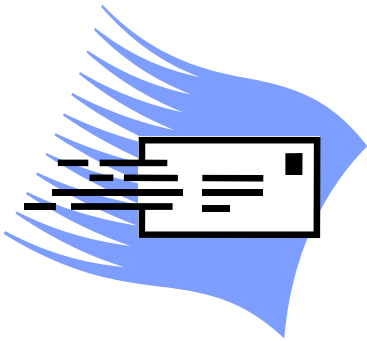
NB - Rapid Reclaim, introduced in 2001, is a streamlined reclaiming process for those who reclaim specified benefits within 12 weeks of their previous entitlement ending. It is designed to remove barriers to taking up and/or declaring work which might be temporary or insecure, by helping to ensure that claimants are not deterred by the normal reclaim procedure.

The new guidance advises:

“As a result of the current economic downturn, Jobcentre Plus has been looking at various ways of streamlining the claims process for social security benefits, to improve their capacity to deal with increasing numbers of claims, and to ensure customers receive their benefit in good time.

As part of this, Jobcentre Plus are introducing changes to the eligibility criteria for income support, JSA and incapacity benefit Rapid Reclaim ... [and] we propose to similarly amend the criteria for HB Rapid Reclaim ...”

To be introduced from 15 December 2008, the change will mean that those who reclaim benefit within 26 weeks, rather than 12 weeks, of their last entitlement to benefit will be able to reapply using Rapid Reclaim.



## Tax credit entitlement for lone parents no longer entitled to income support

New regulations have been issued to ensure that tax credits are paid to lone parents whose entitlement to income support ends as a result of the Social Security (Lone Parents and Miscellaneous Amendments) Regulations 2008.

**NB** - the Lone Parents and Miscellaneous Amendments Regulations provide, from 24 November 2008, that those lone parents with a youngest child aged at least 12 will no longer be entitled to income support solely on the grounds of being a lone parent, and will instead need to claim jobseeker's allowance.

However amendments provide, where an affected lone parent does not make a claim for tax credits, for the DWP to make a claim on their behalf.

**NB** - the new regulations also provide for a further extension of the period during which the DWP can continue to pay child elements of income support and income-based JSA, from 31 December 2008 to 31 December 2011.



In each edition we highlight a person who has helped us improve the quality of life of one of their service users by ensuring they do not miss out.

This month's benefits hero is Annette Jones Steward, a Health Visitor based at the Mary Sheridan Centre. Congratulations to Annette who made a real difference to the life of one of her clients by making sure she received the right advice to ensure she did not lose out on income she was entitled to.

Annette referred a client who was a mother with young children. The mother was finding it hard to cope due to the increased care needs of one of her children who is disabled. She had been struggling to continue signing on as available for work despite her young children. When this was no longer possible she made a claim for income support. This was refused by the DWP who determined that she had no right to reside in the UK and therefore no entitlement to income support. This was the third time she had, had a claim to income support refused for this reason. As a consequence of this decision she also saw her HB and CTB stopped.

When the client was seen by the EPC advisor the advisor assisted her to challenge the decision made by the DWP. By detailing her circumstances the advisor was able to show that the client did in fact have a permanent right of residence in the UK. The decision on her income support was revised and her claim was awarded from the date of her original application. Her HB and CTB claims were also reinstated.

The advisor also supported the client to make a claim for disability living allowance in respect of her disabled child. The child was awarded the highest rate of the care component of DLA. It also increased her income support as she now qualified for a carer's premium. The advisor then supported her to have her child tax credit increased to reflect the disabled child element and a severe disabled child element.

The family have seen their current income increase by £163 per week. The client has been advised that 3 months before her child's 3<sup>rd</sup> birthday she will be able to claim DLA mobility component for her child. This is only payable once the child is 3 years old. Additionally the advisor continues to support the family in making a claim for DLA in respect of the other child.

### Benefits Hero!

**Do you know someone who needs advice and assistance? Refer them to Every Pound Counts and you might change their lives. You might also become a service hero!**

**What do you want to read?**

**Share your views. Looking for... innovation, information, inspiration**

What would you like to see covered in future issues of ACS Update and on our intranet pages? Please send your news, views, comments, and ideas to us. Email: [jcharris@lambeth.gov.uk](mailto:jcharris@lambeth.gov.uk) Let us know what you want to see in future issues of Every Pound Counts.

We hope you found the 5<sup>th</sup> issue of Benefits Matters interesting and informative. Please send all feedback and contributions to Julia Harris: [jcharris@lambeth.gov.uk](mailto:jcharris@lambeth.gov.uk)