



# Herts Adviser

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

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[www.hertfordshire.gov.uk/benefits](http://www.hertfordshire.gov.uk/benefits)



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## MAU Project highly commended in national awards

The Money Advice Unit's Enhanced Primary Care Mental Health Project was a highly commended runner-up in the National Healthwatch Awards, held in March 2024. This is quite an achievement, as this award covered all Healthwatch teams in England for **any** of their work over the last 10 years.

Unfortunately, despite reaching 377 people in its first 11 months, and achieving benefit gains for them of £725,000 (so far – more results are expected), the project has now effectively ended as no further funding is available.

See [page 6](#) for news about changes in the Money Advice Unit.

## Major reforms to PIP proposed

The government has announced plans to change the rules and assessment process for personal independence payment (PIP), particularly for people with mental health problems.

The Department for Work and Pensions (DWP) has published a green paper titled '[Modernising support for independent living](#)', which includes [consultation questions](#) to which anyone can respond. The deadline for responding to the consultation is 23 July 2024.

Suggestions for reform made in the DWP's green paper include:

- placing more emphasis on condition (diagnosis) rather than the functional impact of a condition
- making provision of evidence or a formal diagnosis by a medical expert a mandatory requirement for eligibility for PIP
- changing the qualifying periods for PIP entitlement
- alternatives to a cash transfer system, such as a catalogue/shop scheme, voucher scheme, receipt-based scheme or one-off grants
- improved access to support or treatment
- aligning PIP with local authority and NHS services

Most of the proposed changes would require legislation to implement them, and it is likely that existing PIP claimants will not be affected until their award is due for review or renewal.

## UC managed migration update

In February 2024, the Department for Work and Pension (DWP) began telling Hertfordshire claimants who receive tax credits (but no other legacy benefits) to transfer to universal credit (UC). This is known as ‘**managed migration**’.



Claimants who receive a migration notice must **take action to avoid losing money**. They should [apply for UC on gov.uk](https://www.gov.uk) before their ‘deadline date,’ which will be three months after the date the migration notice was issued. If they cannot claim UC by the deadline date, they should contact the [UC Migration Notice helpline](https://www.gov.uk) on **0800 169 0328** before their deadline date, to request an extension.

It will be in some claimants’ interests to apply for UC straight away after receiving a migration notice. For others, it will be better to delay their UC claim for a while (making sure they don’t miss their deadline). Legacy benefit claimants who haven’t yet received a migration notice should not apply for UC without getting advice.

Our new factsheet [UC - Managed Migration](#) has further information.

[Transitional protection rules](#) mean that most claimants should not be immediately worse off following managed migration to UC. However the rules can have surprising results, leaving some claimants better off than they expected, and others worse off.

### Example:

Amina is a working single parent in rented accommodation. She receives £100 per week tax credits. She has over £16,000 capital, so isn’t entitled to housing benefit and isn’t entitled to UC under the normal rules. After receiving a UC migration notice, Amina claims UC. Transitional protection means that her capital over £16,000 will be disregarded for up to a year.

While covered by transitional protection, she can claim UC including help with housing costs, despite not previously getting housing benefit. As a result, she will get UC of £1,141 per month, and be much better off than she was on child tax credits.

Claimants should seek advice if they are not sure if they have been given the correct award (including transitional protection if eligible) after managed migration to UC.

## Managed migration accelerated for ESA claimants

In April, the DWP announced the acceleration of managed migration to UC for claimants receiving income-related employment and support allowance (IRESA), with or without housing benefit. They now intend to send migration notices to all those claimants by the end of December 2025. Previously they had said that the managed migration of claimants on IRESA only and IRESA plus HB would not be completed until 2028.

## Behind the Budget headlines

Over a month has gone by since the Chancellor's Spring Budget, and some of the measures have come into effect. Many crucial decisions were made in earlier Budgets of course – last autumn it was announced that benefit rates would go up by 6.7 per cent in April 2024 (but 8.5 per cent for pensions and pension credit).

### Wages, tax and national insurance

The National Living Wage is now £11.44 an hour (up 9.8 per cent from £10.42) for those aged 21 or over, whilst the National Minimum Wage for younger workers went up to £8.60 an hour for those aged 18-20, and £6.40 an hour for those aged under 18 and apprentices.

This increase provides particular benefit for people in full-time work, or for second wage earners in a couple, who may have an income above the level where they qualify for means-tested benefits. For those on lower earnings however, the impact of possible tax and national insurance (NI) payments on earnings above £12,570 a year and the loss of means-tested benefits as earnings rise, can mean any gain is substantially reduced.

The reduction in NI from 12 per cent to 10 per cent in January 2024, and to 8 per cent from April 2024, slightly mitigates that effect, but according to Martin Lewis (ITV, 12 March), those earning below £26,000 a year or above £60,000 a year gain less from the NI reduction than is lost through the income tax allowance remaining at £12,570.

### Child benefit

One area where those earning over £60,000 a year gain however is if they have children. Until April 2024, the higher income child benefit charge meant that if a parent (either on their own or one part of a couple) earned over £50,000 they became liable to pay a tax on the value of any child benefit. This was 10 per cent for each £1,000 earned above £50,000. So someone earning £54,000 would have to repay 40 per cent of their child benefit. The perceived unfairness was that if a couple earned £49,000 each, there was no charge, but if one earned nothing and the other earned above £50,000, the charge took effect.



From April 2024 this changed. The starting point for the charge is now £60,000, and the rate has dropped to 5 per cent for each £1,000 earned above £60,000 - that means the upper cut-off point is now £80,000. Someone earning £64,000 for example, will lose 20 per cent of their child benefit. In the longer term, the Chancellor says he intends to change the charge so that it is based on combined earnings, not just the wages of the higher earner in a couple.



# Herts Adviser – benefits and money advice news

## Help with rent

From 1 April 2024, the local housing allowance (LHA) rates (the maximum help that can be given through housing benefit or universal credit for private sector rents) went up substantially. For example, the one-bedroom rate for SW Herts (Watford) went up from £184.11 a week to £218.63 a week. This may make private sector tenancies more affordable, although some landlords are likely to further increase their rents in line with the new LHAs. To find the new LHA rates for your area, go to [voa.gov.uk](https://www.voa.gov.uk)

## Budgeting advances

People on universal credit who require one-off items such as a bed or cooker can apply for a [budgeting advance](#) from the DWP in some circumstances. Although interest-free, the loans currently have to be repaid within 12 months. That will be extended to 24 months for new budgeting advances taken out after December 2024. This will bring UC budgeting advances in line with [budgeting loans](#) for claimants on benefits such as income-related ESA and pension credit, which can be repaid over 104 weeks.

The DWP-provided Household Support Fund, allocated to local councils to help residents with cost of living pressures, was due to end on 31 March 2024 but has been extended for a further six months.

## Childcare costs

There is an extension of free child-care for working parents during 2024 and 2025. From April 2024, eligible working parents of two-year-olds will be entitled to access 15 hours of childcare support. From September 2024, 15 hours of childcare support will be extended to eligible working parents of children from the age of nine months to three years old. From September 2025, eligible working parents with a child from nine months old up to school age will be entitled to 30 hours of childcare a week.

Unfortunately, in many parts of England the demand for pre-school childcare currently exceeds supply (Coram Family and Childcare Survey 2024).

## Hanging on the telephone

Many claimants, carers and professionals have experienced long and frustrating waits on hold when phoning the DWP about personal independence payment (PIP) claims. In the experience of MAU advisers and clients, it often takes over an hour to get through. In response to a written parliamentary question about this problem, the DWP has said “from 24 April and throughout May, we are deploying dedicated telephony specific resource to the PIP telephony lines which will give better support when dealing with sudden increases in traffic.” At the time of writing, it’s too early to gauge how much difference this will make.



## Changes in the Money Advice Unit (MAU)

Over the past few years, the MAU has had funding to develop fresh responses to firstly the pandemic, and then the cost-of-living crisis. Some of this has come to an end, and as a result, a number of MAU projects have had to close or be scaled back.

Several staff recruited on temporary contracts have left the Unit. Kelly-Marie Jones and Aleks Markin, who worked on the Enhanced Primary Care Mental Health Project (which will now operate on a very limited basis with one part-time worker) have both left. Also leaving is Manoj Sharma, who has been working on the Community Mental Health Project in SW Herts and with B3Living.

Unless we can fill Manoj's post, we will be unable to take further referrals on the Mental Health Project in SW Herts and Watford, but will continue our work with B3 Living.

In addition, the MAU will no longer be taking benefit advice referrals for the two HERT projects it ran (Hertfordshire Economic Recovery Team and HERT Family Finance). The additional benefits training that we have delivered in the last two years will now cease, although our usual MAU-delivered training will continue.

On a more positive note, we have obtained funding to recruit an extra adviser to our Hertfordshire Macmillan Benefits Advice Service.

There is also a new **Welfare Benefits Adviser for Refugees and Asylum-seekers**. The project went live on 1 May 2024 and is funded for two years. This will include casework, advocacy, and appeals representation as required. Clients can be referred to the service by the Refugee Council, ACS and the voluntary sector. Contact [mauadmin@hertfordshire.gov.uk](mailto:mauadmin@hertfordshire.gov.uk) to request a referral form for this project.

In addition, the HCC-commissioned Ukraine Support Service from Citizens Advice has now widened out. Rather than a support service specifically for Ukrainians, it is now the **Asylum & Refugee Advice Service** covering housing and employment advice for refugees and asylum seekers. This service is not there to *search* for jobs and housing, but rather to help residents understand what to expect from a landlord or employer. Individuals can self-refer using an **online form**. A translation service is available.

The additional resources put into our Children with Disability project over the past three years will continue for at least another year.



Hari Buyukertas from the MAU at the Big Health Get Together conference

## Herts Adviser – benefits and money advice news

Other MAU projects, such as Financial Inclusion, Lister Hospital Renal Unit, Community Mental Health (except SW Herts) and our general advice casework with people of working-age who use Adult Care Services will all continue in 2024/25, although we may have delays in accepting referrals.

Please bear with us as we adjust to our new capabilities, especially if we have to amend our referral criteria to meet a level of demand that is still increasing on an almost monthly basis.



### Carers beware

In April 2024, the earnings threshold for claiming carer's allowance (CA) rose by 8.6 per cent, to £151 per week. However, the national living wage (NLW) rose at a higher rate, by 9.8 per cent, to £11.44 per hour. This means that carers who combine carers allowance with part time work at NLW levels may have to reduce their hours to stay below the earnings limit, or alternatively stop receiving CA. Over the last five years, the number of hours that carers on CA can work whilst earning the NLW has dropped from almost 15 hours a week in 2019, to just over 13 hours and 12 minutes from April 2024.

An innocent mistake by a carer working part time can result in an overpayment of CA that may take years to pay back, even if their earnings were only slightly above the earnings threshold. Around 34,500 people were overpaid CA in the year 2023/24, an increase of 4,000 from the previous year. More than 1,000 carers were ordered to pay back sums between £5,000 and £20,000.

The CA earnings limit doesn't affect entitlement to the universal credit carer's element however.

CA claimants in paid work should be aware that certain work-related costs (such as childcare) and half of any contributions towards an occupational or personal pension, can be deducted when deciding whether their earnings are below the CA earnings threshold. Claimants who have fluctuating earnings, or work only in term time, should seek advice if in doubt.

### Working UC claimants told to earn more

The universal credit (UC) **administrative earnings threshold (AET)** increases from £743 to £892 per month for individual claimants, and from £1,189 to £1,437 per month for couples, from 6 May 2024. This means that more claimants (if not exempt) will be required to seek additional work and/or increased earnings as a condition of remaining on UC. Claimants should seek advice if needed.

### MAU case study

#### Background

Jane has had mental health problems and physical pain much of her life. She was working as a self-employed gardener. Her universal credit (UC) was reduced as if she was earning full-time due to the 'minimum income floor', even though her fluctuating health meant she could only work sporadically.

The Jobcentre told Jane to obtain a fitnote. However, when they finally assessed her, they decided she was fit for work and continued reducing her UC based on notional full-time earnings. The DWP refused to change the decision and Jane appealed to a tribunal. Unfortunately, the hearing was postponed three times and Jane's mental health deteriorated due to the stress and delays.

While waiting for the appeal, Jane finally received a diagnosis of fibromyalgia to explain her pain, fatigue and IBS-like symptoms.

#### Action taken

This case came to the MAU at a late stage when a tribunal hearing had

already been listed. The adviser helped Jane to understand the work capability assessment, what points she scored, and which grounds of appeal to rely on. Jane had already submitted various statements and a multitude of medical documents to the tribunal. Her adviser went through all the documents, identified the relevant evidence to draw to the tribunal's attention, and drafted a detailed submission. She then represented Jane in the telephone hearing.



#### Outcome

The appeal tribunal decided that Jane had limited capability for work. This means the DWP cannot assume she receives full-time earnings. With a disregard now applied to her actual earnings, Jane was due around £1,200 arrears. The Jobcentre will stop pressuring her to work more or build up her business.

### No NINO, no money

New legislation means that, from 1 April 2024, universal credit (UC) claimants cannot receive an advance payment unless they have been issued with a national insurance number (NINO). Claimants who don't have a NINO can still apply for UC, and a NINO will be allocated during the claim process. They should not delay claiming UC, and do not need to apply for a NINO separately before applying for UC. Claimants who need urgent assistance while waiting for their first UC payment, or who experience delays due to waiting for a NINO to be issued, should seek advice.



## Saving and spending

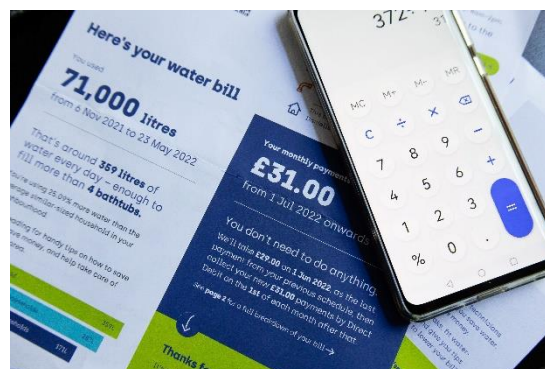
### WaterSure

WaterSure caps customers' water bills at the average annual rate for their supplier, for customers who have abnormally high usage due to a medical condition, or having three or more dependent children, and are also getting one of a wide range of means-tested benefits (or disability living allowance, personal independence payment or attendance allowance in some areas).

Citizens Advice has produced a [guide to the WaterSure scheme](#), and information is also available on the websites of the various suppliers (just google WaterSure). Thames Water also has a separate scheme called [WaterHelp](#) for certain low income households, that gives a 50 per cent discount on bills.

Relevant medical conditions include

- incontinence
- abdominal stomas
- renal failure requiring dialysis at home (although you won't qualify for WaterSure if you're already getting a contribution to your water costs from the NHS)
- Crohn's disease and ulcerative colitis



### Charity offers phones and sim cards

People without a smartphone or internet access often face barriers when trying to make or manage benefit claims, or access other services.

[SimPal](#) is a registered charity that supplies 'pre-loved' phones and a smart hub for free to people on a low income or with serious health issues such as cancer. Depending on availability, SimPal can provide mobiles, sims, (and mi-fi units to help inpatients).

They can also supply a six-month prepaid sim card. This will provide unlimited calls and texts for that period, plus 20G of data per month.

SimPal are seeking donations of used phones in working condition, to pass on to those who need them.

You can email [chris@yoursimpal.com](mailto:chris@yoursimpal.com) for further information.

## Free school meals – for those who can't attend school

**Free school meals guidance** has been updated, to make clear that reasonable adjustments should be made for children who are not able to attend “standard” education settings (schools, colleges, pupil referral units), as the provision available is not suitable to meet their needs. Local authorities can arrange education outside of a standard setting, if a standard setting would be inappropriate, under an EHCP. This is a legal mechanism commonly known as EOTAS, which stands for education otherwise than at school.



The new guidance states that local authorities should consider making equivalent food provision for children who are receiving EOTAS if:

- the child would meet the benefits-related criteria for free school meals if they were in a state-funded school, and
- the meals would be provided in conjunction with education and would, be for the purpose of enabling the child to benefit fully from the education being provided.

Local authorities should assess the individual circumstances of the child to decide whether and how such provision can be made. This may, for example, mean providing supermarket vouchers.

This provision does not cover children who are home-educated by choice.

## Debt relief made easier

The administration fee for setting up a **debt relief order (DRO)** (previously £90) has been removed from 6 April 2024. Further changes will increase the number of people eligible for DROs from 28 June 2024.

People who can't afford to pay their debts may be eligible for a DRO if:

- their qualifying debts are not more than £30,000 - or £50,000 from 28 June 2024
- they have no more than £75 left over each month after paying their usual household expenses
- they don't own their home
- their savings and assets are worth no more than £2,000 (some assets are ignored, such as basic household items; tools required for work; and vehicles worth less than £2,000, or from 28 June 2024, vehicles worth less than £4,000)

A DRO lasts for twelve months. At the end of that period, debts included in the DRO will be written off. Some types of debt, such as student loans and child maintenance, cannot be included in a DRO.

## 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](mailto:moneyadvice.unit@hertfordshire.gov.uk) This advice line is for professionals only.



### Question

A client I'm supporting lives in a three bedroom privately rented flat with his wife and two daughters. They've been claiming universal credit (UC) for four months, but the amount they receive for help with housing costs is less than their actual rent.

The client has disabilities including post traumatic stress disorder (PTSD) which causes night terrors. Because of this, he and his wife need to sleep in separate bedrooms. They explained that when they applied for UC. However, their UC has been calculated as if they only need two-bedroom accommodation. They're getting into rent arrears. He has applied for personal independence payment (PIP) and is still waiting for a result.

### Answer

Couples who cannot reasonably share a bedroom because of a disability can have an 'extra' bedroom taken into account when assessing their benefit award – provided that they receive a qualifying disability benefit such as PIP daily living component (at either rate); disability living allowance middle or highest rate care component; or attendance allowance at the higher rate.

If your client is awarded PIP daily living component, he should then ask for his UC to be reconsidered (from the start of the UC claim, or the start date of the PIP award if later). He can do this by writing on his UC online journal. It may help to provide supporting evidence from his GP or a mental health professional, to confirm that a separate bedroom is needed.

If PIP daily living component is awarded and the DWP accepts that this couple need an 'extra' bedroom, the three-bedroom local housing allowance rate for their area will be used when calculating UC housing costs.

If this will still leave them with a shortfall, or if they need to bridge the gap while waiting for an outcome from the PIP application, they could consider applying to their local authority for a discretionary housing payment. They should seek help to negotiate with their landlord about the arrears if needed.

Whilst every effort has been made to provide accurate information, this newsletter is for guidance only and should not be considered an authoritative statement of the law.