# Advice Bulletin: Winter 2020

## Older people’s entitlements to benefits

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It is thought that older people are losing out on billions of pounds of income because they are not claiming state support such as Pension Credit and Housing Benefit. In 2019 [research by Independent Age](https://www.independentage.org/credit-where-its-due-pension-credit) estimated that in Edinburgh there is over £20m of Pension Credit unclaimed each year.

With winter bringing higher heating costs and other pressures, it is important that older people’s incomes are considered so that they can still afford to purchase life’s essentials. Sometimes pride gets in the way of claiming a benefit and a private pension income may be considered by some to rule them out of entitlement, but it is always worth checking whether an entitlement exists.

### Mixed age couples

In the Spring Bulletin we highlighted changes to legislation which affects couples where one of the couple is of state pension age (mixed age couples).

The main change is that most mixed age couples will have to claim Universal Credit rather than Pension Credit and Housing Benefit, which is some instances will make households financially much worse off.

If one member of a couple is approaching state pension age it may be possible to take action and avoid claiming UC. The Advice Shop are keen to assist people in these circumstances and they should be encouraged to contact us on 0131 200 2360.

### Care homes

If you move into a care home your income, savings and capital will be taken into consideration when deciding how much you should contribute towards your care costs. There are also rules to consider regarding deliberately depriving yourself of capital in order to avoid or reduce the amount payable. You can find more information on the [Age UK website](https://www.ageuk.org.uk/information-advice/care/paying-for-care/paying-for-a-care-home/).

### Additional Assistance

Several home improvement schemes, grants and loans are available for those in vulnerable and low income households. Contact [Home Energy Scotland](https://energysavingtrust.org.uk/scotland/home-energy-scotland) on 0808 808 2282 or [Changeworks](https://www.changeworks.org.uk/) on 0131 555 4010 to schedule a home energy check or to discuss your entitlement to financial assistance with energy costs.

The [Citizens Advice website](https://www.citizensadvice.org.uk/scotland/consumer/energy/energy-supply/get-help-paying-your-bills/struggling-to-pay-your-energy-bills/) contains information on the assistance available including grants that maybe available.

## Settled status update

The deadline to apply for pre-settled status or settled status is still to be determined pending the outcome of Brexit.

It’s thought that 900,000 people in the UK who are eligible to apply have not yet done so. The Guardian newspaper reflects on the [latest update in a recent article](https://www.theguardian.com/politics/2020/jan/16/nearly-1-million-eu-citizens-in-uk-yet-to-apply-for-settled-status).

The changes are well summarised in this [Age UK briefing](https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/money-matters/age_uk_-briefing_on_benefit_changes_for_mixed_age_couples_february2019.pdf).



## Severe Disability Premium

The Severe Disability Premium (SDP) gateway was introduced in January 2019. It was introduced as a barrier to prevent people who are entitled to a severe disability premium in legacy benefits from claiming Universal Credit and losing out on income.

New regulations were launched in July 2019 (which replace the January 2019 draft regs) which confirm the

SDP gateway will close in January 2021. The new regs also confirm that rules on SDP transitional protection have been amended, meaning more claimants will be protected. You can find more information on the CPAG website.

## Ferret’s pension age reckoner

This [pension age calculator](https://nawra.us16.list-manage.com/track/click?u=decb9d1f0c8e0b61fc8eae4c9&id=38120d0026&e=324cb20a6f) can show when state pension age is reached and when 'mixed age couple' rules will apply.

## Cold weather assistance for older and vulnerable households

Winter can see plummeting temperatures and higher incidences of ill-health so keeping a home warm becomes crucial for many who are vulnerable or living on a low income. There are a number of initiatives in place to assist, including the following:

### Winter fuel payment

The [winter fuel payment](https://www.gov.uk/winter-fuel-payment) is a tax-free, non-means tested one-off payment of £100-300 for those over Pension Credit age. Those on a low income and vulnerable households might be entitled to greater assistance depending on their circumstances. Payment should be made automatically in November/December – if this has been missed or you need to make a claim call 0800 731 0160.

### Cold weather payment

You might be entitled to the [cold weather payment](https://www.gov.uk/cold-weather-payment) if you receive Employment and Support Allowance, the

Limited Capability for Work element of Universal Credit, or a disability premium on some means-tested benefits.

It provides £25 for every period in which the temperature is at or below 0° for seven consecutive days between 1 November and 31 March. Payment should be automatic. If entitled but you haven’t received it, contact the Jobcentre or Pension Centre.

### Warm Home Discount Scheme

If you are on Pension Guarantee Credit or are on a low income, you might be entitled to a one-off discount of £140 on your electricity costs. This is paid directly to your energy provider and can be put toward your gas costs instead if you’re on a dual fuel tariff. If you do not receive a letter about the [Warm Homes Discount](https://www.gov.uk/the-warm-home-discount-scheme) from your supplier by December, call them directly to discuss your entitlement. The discount will be applied by 31 March.

## April 2020 benefit increases

The four-year freeze on working age benefits is finally being ended with a rise of 1.7% planned for April 2020. Tax Credits, Child Benefit and Guardians Allowance also increase by 1.7%. Pensions are due to rise by 3.9%.

The increases should see ESA basic rate rise from £73.10 to £74.34 pw – the equivalent of 4 pints of milk a week. The monthly basic UC personal allowance will rise from £317.82 to £323.22 – the equivalent of one day’s bus travel plus a pack of sausages.

In addition, the Local Housing Allowance will also increase by 1.7%. These uplifts will come into effect in April 2020. A very detailed note of the proposed benefit rates is available on the [Parliament website](http://data.parliament.uk/DepositedPapers/Files/DEP2019-1077/Proposed_benefit_and_pension_rates_28_Nov_2019.pdf)

## Edinburgh Poverty Commission

The [Edinburgh Poverty Commission](https://edinburghpovertycommission.org.uk/) is looking at how we can work together to reduce poverty in the city. You can see [interim findings and research](https://edinburghpovertycommission.org.uk/) on the commission’s website.

The recommendations are expected very soon and should start debate on how actions can be taken forward.



## Responsibility for a debt when a relative dies

There are many instances of husbands and wives or relatives of people who have died, being concerned that they may become responsible for the deceased person’s debts or liabilities such as rent or council tax. People are individually liable for their own debts so (unless the debt is a joint debt where both people were responsible for the payments) the debt will usually die with the deceased person.

If there are council tax arrears or rent arrears relating to a joint tenancy the other liable person can be pursued for the full amount of the debt, or if the person who passed away leaves an estate creditors can make a claim against the estate. The executor of a deceased person’s estate is responsible for ensuring that any outstanding debts are paid out of the person’s estate where an estate exists (and the executor can be held liable for the deceased person’s debt if this function is not carried out effectively).

This is a complex area of money advice and if faced with dealing with outstanding debt following the death of a close one specialist advice should be sought.



## Timescales for Mandatory Reconsiderations and Appeals

Advice services are often asked how long a mandatory reconsideration or appeal will take and increasingly, claimants (and advisors!) have been frustrated with the length of time these actions are taking to be decided by the DWP.

The Advice Shop has logged the following data which is probably a fair guide to how many days these matters may take to be resolved:

|  |  |  |
| --- | --- | --- |
| Mandatory reconsiderations | Jan-Jun 2019 | Jul – Dec 2019 |
| ESA | 179 | 177 |
| PIP | 150 | 213 |
| UC | 163 | 77 |

|  |  |  |
| --- | --- | --- |
| Appeals | Jan-Jun 2019 | Jul – Dec 2019 |
| ESA | 145 | 110 |
| PIP | 148 | 138 |
| UC | 100 | 83 |

Within these figures there is considerable variance but six months to get an ESA mandatory reconsiderations (MRs) decision puts significant strain on claimants. The growing delays with PIP MRs are often exacerbating the ill-health that caused claimants to apply in the first place. There is little progress made through chasing the DWP for a swifter decision.

## Edinburgh advice services: see where they are

The Advice Shop maintains a map of advice services across the city so you can see who the nearest and most appropriate service may be for you or your clients. You can see the [map](http://www.edinburgh.gov.uk/adviceshop) on our website. If you are aware of any additions or amendments that could be made please email us [adviceshop.admin@edinburgh.gov.uk](mailto:adviceshop.admin@edinburgh.gov.uk)



## Tell us what you think

We would be very grateful if you could take a few minutes to provide some feedback about the Advice Bulletin so we can consider what improvements to pursue. Please [fill in our survey](https://www.surveymonkey.co.uk/r/JMRX8K8). Many thanks in advance.

