Benefits Bulletin Cost of Living Support..

24th June 2022

In May 2022 a range of special financial measures were announced which are designed to provide support to people in light of the rising cost of living. This Benefits Bulletin seeks to explain the different measures and when they will come into force.



A. Energy Bills Support Scheme

All households will be getting a £400.00 grant off the cost of their energy bills. How this money will be paid to people will depend on how they pay for their electric. People who pay for their electric will receive credits to their electricity accounts over a six month period starting from October 2022. Those who pay for their electric by way of a pre-payment meter will get money off tariffs applied to their meters or a voucher.

Entitlement to this payment is not meanstested or dependent upon the recipient getting or being eligible, to any particular Social Security benefits or tax credits.

B. Cost of Living Payment

A £650.00 payment will be made to households who are getting at least one of the following qualifying Social Security benefits or tax credits:

- Universal Credit
- Pension Credit
- Income-based JSA
- Income-related ESA
- Child Tax Credit
- Working Tax Credit.

Those getting one of the above Social Security benefits should get the first instalment of £326.00 from **14**th **July 2022** and the second payment of £324.00 sometime in the autumn.

And there's more...

Whilst those getting Child Tax Credit and/or Working Tax Credit (but none of the Social Security benefit mentioned above) will also be paid their payments from July, it is understood that the second payment could be made payable to them before the Autumn.

It is understood that to qualify for the first payment a person must actually be in receipt of the relevant qualifying Social Security benefit or tax credits on **25**th **May 2022** or have started a claim for one of the qualifying Social Security benefit or tax credits which proves successful and the award at least covers 25th May 2022. Therefore, a person whose entitlement to a qualifying Social Security benefit or tax credits ceases before the 25th May 2022 or begins after the 25th May 2022, will not be eligible to the first payment.



The payment will not be taxable. It should not have any impact on an existing benefit award. Furthermore, it will not be counted as benefit income for the purposes of the Benefit Cap.

C. Pensioner Cost of Living Payment

Some pensioner households will receive a £300.00 lump sum payment (in addition to any other Cost of Living payments) to provide them with an extra boost in recognition that they are disproportionally affected by higher energy costs and that many low-income pensioner households do not claim the benefits they are entitled to.

The payment will be made to those who receive the <u>Winter Fuel Payment</u>. It will be paid as a top-up to the Winter Fuel Payment when it is made in November / December.



For this purpose, a 'pensioner' is someone who will be aged at least 66 between the week 19th September 2022 and 25th September 2022.

The payment will not be taxable and it should not have any impact on an existing benefit award the person received e.g. Pension Credit or Housing Benefit / Council Tax Support.

D. Disability Cost of Living Payment

A cost of living payment of £150.00 will also be made in September 2022 to people who receive one of the following disability benefits:

- Attendance Allowance
- Personal Independence Payment
- Disability Living Allowance
- Armed Forces Independence Payment
- Constant Attendance Allowance
- War Pension Mobility Supplement.

To qualify the person must be getting one of the above disability benefits on **25**th **May 2022** or have started a claim for one of these benefits which proves successful and the award at least covers 25th May 2022.

The payment will not be taxable. It should not have any impact on an existing benefit award. Furthermore, it will not be counted as benefit income for the purposes of the Benefit Cap.

Please see this **LINK** for more information.

This all means that those who are getting Universal Credit should between July 2022 and Autumn 2022 receive £1,050 to help them with their fuel bills and the cost of living increase.



It means that pensioners (i.e. those ages 66 or over) should receive a similar amount plus a further £300.00 if they are eligible to the Winter Fuel Payment which many will. Finally, those who are in receipt of benefits like Attendance Allowance. Personal Independence Payment or Disability Living Allowance will get a further £150.00 lump sum to help them out.



All this comes in addition to the assistance available to households Council Tax Energy Rebate scheme under which most households in Wolverhampton are eligible to a £150.00 reduction in their council tax bill for 2022/2023. Please see Benefits Bulletin Issue 2 [2022] on this LINK for more information.



Please be aware that the Welfare Rights Service produces a wide range of Information Guides and Fact Sheets designed to bring news of the eligibility rules behind key benefits and what benefits might be available depending upon their personal circumstance.

- Benefits and Work
- **Benefits and Disabled Children**
- Benefits and Young People
- Benefits and Older People

Please see here for the full range of our Information Guides and here for the full range of our Fact Sheets.

Moreover, our A to Z of Benefits booklet is designed to provide an overview of the structure of the benefits system and information about the various benefits that are available



We are here to help!

If someone is worried about making ends meet and would like on what Social Security benefit might be available to them then they can contact our Covid-19 Benefits Helpline on 07966 292321.



The Helpline is open Monday to Friday between 10.00 am and 12.00 noon. Alternatively, a person can contact us by email at: wrs.covid19@wolverhampton.gov.uk.

> Welfare Rights Service Specialist Support Team City of Wolverhampton Council WRS@wolverhampton.gov.uk