

Welfare reform news and policy update

from HQN Associate Sue Beasor



28 September 2023

Breakout news

The DWP has confirmed that:

"From September Move to Universal Credit activity extended into Cumbria and Lancashire, Essex, Dorset, Wiltshire & Hampshire, Isle of Wight, South-West Wales, East Scotland, and Lincolnshire Nottinghamshire & Rutland.

As we look forward, we will expand to South-East Wales and Central Scotland in October before bringing South-West Scotland onboard in November 2023.

We started our small-scale discovery in September to test more benefit combinations (apart from Employment and Support Allowance (Income Related) (ESA(IR) only, and ESA (IR) with Housing Benefit) to continue to learn how we move all households safely onto universal credit. As part of this discovery activity, we will be contacting a small number of households within Greater Manchester, Harrow, and Northumberland.

The Move to Universal Credit communications campaign that commenced in August 2023 continues and aims to raise awareness that tax credits are ending as well as preparing tax credit customers for a move to universal credit before receiving their migration notice. The campaign messaging has been designed to cover various media types and channels. This has been further supported by a leaflet issued to tax credit customers, that started to land on doormats from 16 September."

More than a third of people think the government should spend more on welfare benefits

The general public believes that benefit claimants are more deserving now than at any point in the last 40 years, according to the findings of the latest British Social Attitudes report which found that 37% agreed that the 'government should spend more on welfare benefits for the poor, even if it leads to higher taxes'.

[Read more](#)

Cost of living payments

Second 2023 to 2024 cost of living payment dates announced

The government has confirmed that the next £300 cost of living payments for people receiving DWP means-tested benefits or tax credits will be paid between 31 October and 19 November 2023. It will be made to claimants who have been in receipt of a qualifying benefit in the period between 18 August and 17 September 2023.

[Read more](#)

Government underspent energy support funding last year

The government underspent its energy crisis support fund by £440m last year, according to a new analysis from the fuel poverty charity National Energy Action. The government underspent £45m of the Warm Home Discount, which is designed for households with low incomes and energy-inefficient homes. £399m was also kept by the Treasury because not enough money was given out through the Energy Bill Support Scheme.

[Read more](#)

Universal credit

Debt advice charities say universal credit deductions are leaving households in a spiral of debt

More than 800,000 households on universal credit received less than their entitlement as they had to repay old tax credit overpayments identified during the migration process. Data obtained by the BBC through a freedom of information request shows that the DWP has to recover more than £1.5bn in overpaid tax credits.

[Read more](#)

More than a quarter of tax credit claimants issued with a migration notice failed to claim universal credit

Analysis of DWP statistics by the Child Poverty Action Group indicates that only two thirds of people (1,800) who sent a migration notice between November 2022 and March 2023 made a successful universal credit claim before their migration deadline. A further 5% (140 claimants) made a claim after their deadline had passed. 28% (770 claimants) did not claim universal credit at all and had their current benefit payments terminated.

[Read more](#)

Universal credit telephone claims

DWP research has found that most universal credit telephone claimants report that moving to an online claim is not a realistic option for them. The findings from interviews carried out with 30 universal credit claimants who either applied via telephone or now manage their claim via telephone, found that claimants face multiple barriers to applying online, which in combination make it 'prohibitively difficult' and, as a result, they feel a telephone application is their only option rather than a choice.

[Read more](#)

Use of artificial intelligence

DWP update on using artificial intelligence

DWP minister Mims Davies in response to a written question in parliament on the DWP's plans to use artificial intelligence to help process benefit claims has said: *"DWP has created a generative artificial intelligence lighthouse programme which will safely guide our innovation in emerging artificial intelligence technology. The role of this programme is to 'test and learn' in a safe and governed environment where all types of AI can be used to assist us in the delivery of our customer outcomes and department efficiencies."*

[Read more](#)

Benefits for people with disabilities

Woman who worked 'too many' hours loses employment and support allowance

A woman who worked for one second over the 16 hours permitted limit has lost her entitlement to ESA and has had her HB and council tax support suspended. (On the basis of the information in this article it seems likely that she will lose her entitlement to legacy benefits and have to decide whether to claim universal credit).

[Read more](#)

Government starts roll-out of universal support scheme

The DWP has provided more information about the roll out of its universal support programme which is part of the policy to move long-term sick and disabled people into employment. It says that up to 25,000 people will be helped to move into or towards work by September 2024.

[Read more](#)

Welfare reform in Scotland

New national allowance for foster and kinship carers

The Scottish government has introduced a standard national allowance to support foster and kinship carers and the children and young people they look after. The weekly allowances will be backdated to 1 April 2023.

[Read more](#)

Helping people into work

More 'support' for universal credit claimants

The DWP has announced the start of the second phase of its enhanced daily support pilot for universal credit claimants. The additional Jobcentre support pilot will test the provision of an additional week of daily support for eligible claimants after their first assessment period.

[Read more](#)

Pre-payment meters

Ban on forceable installation of pre-payment meters extended

Ofgem has confirmed that energy suppliers have been banned from forcibly installing prepayment meters for people over 75 with no support in their house and for homes with children aged under two. The voluntary prepayment meters code of practice, which all energy companies signed up to in April will become part of suppliers' licence conditions, which if breached could result in enforcement action and substantial fines.

[Read more](#)

Benefit fraud

HMRC officer jailed for tax credits fraud

A woman who worked in a tax credits office has been imprisoned for just over two years for making false tax credit claims and arranging for the payments owing to genuine claimants to be paid into her own bank account.

[Read more](#)