Newsletter for advisers in Aberdeen City & Aberdeenshire

BenefitsBulletin

Aberdeen City & Shire Advice Forum is a local network for people working in advice services to share information and experiences. The Forum meets quarterly throughout the year.

ADVICE FORUM ABERDEEN & SHIRE

Monday 09th November 2020 - Issue.26

Help required to highlight how Social Security Scotland has made a difference to people

Scottish Social Security are looking for case studies of people who have been supported by Social Security Scotland and wanted to ask if you have anyone who may be willing to share their story.

We are looking for people to share:

- Name
- Age
- Where they live (area)
- What payment they received
- How the payment made a difference to their lives
- What they used the money for
- Would they mind providing a photograph of themselves? (We would ask them to complete a consent form to use their photo)

The information would be used to highlight the difference Social Security Scotland makes to people's lives. If you have any clients who would be willing to do this, we'd love to hear from them. You, or they, can get in touch with Lisa at **lisa.buchan@socialsecurity.gov.scot**

Suspension of Minimum Income Floor in universal credit extended to end of April 2021

Secretary of State says regulations will be laid and made prior to the easement's current expiry date of 12 November 2020

The Secretary of State for Work and Pensions Dr Thérèse Coffey has confirmed that the suspension of the Minimum Income Floor - used to assess entitlement to universal credit for self-employed people - is to be extended to the end of April 2021.

In a written statement to the House of Commons today, Dr Coffey announced -

> '*After careful consideration of the ongoing public health situation and the national working environment, the current easement of the suspension of the Minimum Income Floor in universal credit that was due to expire on 12 November 2020 will be extended to the end of April 2021.*

Dr Coffey added that regulations will be laid and made prior to 12 November 2020.

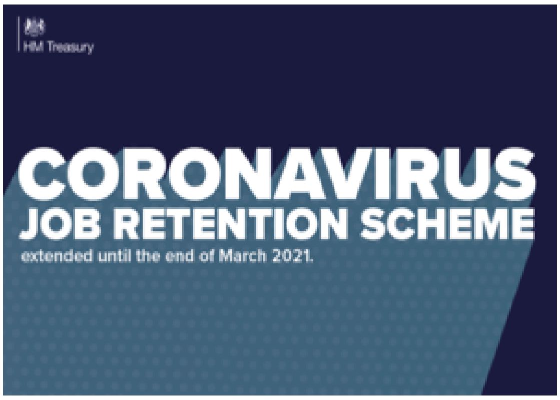
The **Secretary of State's written statement** is available from parliament.uk

See also **Government extends extra welfare support for self-employed for further six months**

Real Living Wage increases to £9.50 in Scotland

- 45,600 workers in Scotland set to
- benefit from vital pay boost
- Almost £240 million in extra wages has gone to low-paid workers in Scotland thanks to the Living Wage movement, including over £42 million since the start of lockdown.
- Over 34,000people in key worker
- industries in Scotland have benefitted from over £192 million in extra wages since 2011.
- Living Wage Foundation research finds that 350,000 (15.2%) workers in
- Scotland are still paid under the real Living Wage.

Full article - **www.povertyalliance.org/real-living-wage-increases-to-9-50-in-scotland/**



Government extends Furlough to March and increases self-employed support

Published 5 November 2020

Workers across the United Kingdom will benefit from increased support with a five-month extension of the furlough scheme into Spring 2021, the Chancellor announced today, 5 November.

More information on today's policy announcements can be found here: **economic support factsheet** (PDF, 143KB, 5 pages).

www.gov.uk/government/news/government-extends-furlough-to-march-and-increases-self-employed-support

Social Security Scotland
Tèarainteachd Shòisealta Alba

Child Winter Heating Assistance in Scotland from 9 November 2020

The Winter Heating Assistance for Children and Young People (Scotland) Regulations 2020

SSI.No.352/2020

New regulations have been issued in relation to Scottish Child Payment (SCP). and appeal rights

In addition, the First-tier Tribunal for Scotland Social Security Chamber (Procedure and Composition) Amendment Regulations 2020 (SSI.No.353/2020) provide for the full package of tribunal procedure and composition regulations to apply in relation to appeals concerning SCP as they apply to appeals concerning other devolved benefits.

SSI.No.351/2020 and SSI.No.353/2020

Applications to open early for Scottish Child Payment

The new Scottish Child Payment - which is unique to Scotland - is to open early for applications from Monday 9 November. This is applications for children who will be under 6 on Monday 15 February 2021.
Social Security Scotland will be taking applications ahead of the payment starting on Monday 15 February 2021 to help manage the expected demand.

The new benefit, which will give eligible families on low incomes with children under 16 an extra £10 per week for each child, is planned to be fully rolled out to children under the age of 16 by the end of 2022, subject to data on qualifying benefits being received from DWP

Ministers have prioritised the early introduction for families with a child under 6 and despite the impact and disruption of Covid-19, are able to start payments from early 2021.

This was announced today by Cabinet Secrtary for Social Security and Older People, Shirley-Anne Somerville news.gov.scot/news/applications-to-open-early-for-scottish-child-payment

What we are doing to encourage take up of Scottish Child Payment

The Scottish Government and Social Security Scotland are working hard to make sure everyone who is entitled to Scottish Child Payment knows that it is available and applies.

We have published a policy position paper outlining what we are doing to promote take up of this new benefit.

Read more at gov.scot/publications/maximising-take-up-scottish-child-payment-position-paper/

Call to help raise awareness of Scottish Child Payment

Our stakeholders play a key role in the promotion of our benefits. We would like to thank you for your ongoing support. Together we hope that we can get money to those who need it and contribute to tackling poverty and inequality.

As well as our Cabinet Secretary for Social Security and Older People writing to MSPs, MPs and a number of stakeholders, we would also like to ask for your help in spreading the word about Scottish Child Payment.
So that you can build promotional work of this benefit into your communication plans and interaction with clients, Social Security Scotland are providing stakeholder resources now.

This way you can review content available, order materials or get in touch if you need something more bespoke.
If you would like any of materials in hard copy or in an alternative format to give to the people you work with, please email communications@socialsecurity.gov.scot with your request.

All available resources can be found at socialsecurity.gov.scot/guidance-resources/resources

Child Winter Heating Assistance payments to start

Families of disabled children will receive a new heating benefit by Christmas.
The Child Winter Heating Assistance is a new £200 payment to help families of a child on the highest rate care component of Disability Living Allowance for Children to heat their homes. There are more than 14,000 children expected to be eligible.

Payments will arrive with people from Friday 27 November and these are expected to be complete by Friday 11 December.

People do not need to apply for this payment. In the vast majority of cases it will be made automatically by Social Security Scotland using information provided by the Department for Work and Pensions (although we may need to contact some families to check the information we have). Families will get a letter in advance to confirm that they will be getting this payment.

Find out more at www.gov.scot/news/child-winter-heating-assistance-payments-to-start/

DWP Department for Work and Pensions

Latest **DWP Touchbase** dated 6th November

Universal Credit - Minimum Income Floor for the self-employed

The Minimum Income Floor (MIF) for self-employed Universal Credit (UC) claimants will remain suspended until the end of April 2021, extending a vital lifeline for hundreds of thousands of people.

The further suspension means that self-employed people will continue to receive financial support from UC based on their current actual earnings. This provides additional protection for those who experience a drop in earnings due to the impact of COVID-19.

For further information, please visit **GOV.UK**.

This support is in addition to the **extension of the Self-Employment Income Support Scheme** announced on 2 November.

Government extends Furlough to March

On 5 November the Chancellor of the Exchequer announced that the Coronavirus Job Retention Scheme (CJRS) will now run until the end of March with employees receiving 80% of their current salary for hours not worked.

Similarly, support for millions more workers through the Self-Employment Income Support Scheme (SEISS) will be increased, with the third grant covering November to January calculated at 80% of average trading profits, up to a maximum of £7,500.

Find out more

Update - Claimants must attend telephone health assessments

When telephone health assessments were introduced for Employment and Support Allowance (ESA) and Universal Credit (UC) earlier this year, an easement was put in place so that Fail to Attend (FTA) and Fail to Participate (FTP) actions did not take place as a result of someone not attending a scheduled telephone assessment.

From Monday 2 November, ESA and UC telephone assessment appointment letters will make it clear that claimants must attend their telephone appointment. FTA and FTP action will apply, e.g. benefit may be stopped (ESA) or entitlement change (UC), for those who have been issued with this letter and fail to attend or participate in their appointments without good reason.

No one will have their support stopped without being contacted first. People will be contacted to ask them to explain why they did not, or could not attend or participate in the assessment and where good cause is provided and accepted, support will continue.

Please share this information with your members and audiences.

Video Relay Service

DWP has extended Video Relay Service (VRS) for British Sign Language (BSL) users across all service lines.

Since extending VRS, we've seen a 15% increase in customers using this service.

A total of 12,536 VRS calls have been made to DWP in the last 12 months.
25% of VRS calls were made on Personal Independence Payment, 22% on Access to Work, 16% on Universal Credit, 14% on ESA with the remaining calls made across other service lines.

To find out more about using Video Relay Service, watch the video and download the app **here** .

The DWP has issued new guidance in relation to disregarding Scottish Child Payment for the purposes of means-tested benefits.

In *ADM Memo 26/20* and *DMG Memo 22/20*, the DWP advises that Scottish Child Payment - as introduced by the *Social Security (Scotland) Act 2018 (Information-Sharing and Scottish Child Payment) (Consequential Provision and Modifications) Order 2020* (**SI.No.482/2020**) - is not included in the benefits to be taken into account as unearned income in the assessment of universal credit, pension credit, income support, income-based jobseeker's allowance and income-related employment and support allowance, and is therefore disregarded.

In addition, it confirms that, for the purposes of the same benefits, payments of Scottish Child Payment are disregarded as capital for 12 months.

See **ADM Memo 26/20** and **DMG Memo 22/20**

Leading homelessness charities urge UK Government to reconsider dangerous new immigration rules targeting people sleeping rough for deportation 06.11.2020

New immigration rules targeting people sleeping rough will endanger lives, undermine progress in reducing homelessness and must be reconsidered.

www.crisis.org.uk/about-us/media-centre/leading-homelessness-charities-urge-uk-government-to-reconsider-dangerous-new-immigration-rules-targeting-people-sleeping-rough-for-deportation/

Citizens' Rights Project updates

Subscribe to Citizens' Rights Project mailing list to receive updates about our activities and information about Brexit, citizens' rights and the EU Settlement Scheme.

Sign up for updates **here**.

What the new Points-Based Immigration System has in store for UK work visas

For work-based immigration, last week's **statement of changes** to the Immigration Rules was in many ways rather anticlimactic. The last two years have seen a series of reports and **policy statements** setting out the government's plans for a 'new' Points-Based Immigration System. The major changes therefore come as no great surprise.

Despite this, the new system, which will go live from 1 December 2020, represents one of the biggest overhauls of sponsored migration since the current Points Based System was created over 12 years ago. With the ending of free movement for EEA nationals on 31 December 2020, the Points-Based Immigration System will be the only option for foreign nationals wanting to work in the UK. The visa requirements will therefore have a massive impact in shaping the UK's labour market for years to come.

So long Tier 2 (General), hello Skilled Worker

The headline news is the rebrand of the Tier 2 (General) visa into the 'Skilled Worker route'. As with the recent changes to the **student route**, the fundamentals of the visa remain largely the same. There are, however, some potentially beneficial changes which will make the system more workable for businesses and employees.

The first point to note is that this still remains a sponsorship visa. A potential Skilled Worker must still have a job offer which reaches certain skill and salary thresholds from an employer who holds a skilled worker **sponsor licence**. As the visa does not allow the holder to work for whomever they choose, it is vastly more restrictive than the free movement rights EEA nationals currently enjoy.

The rules for the Skilled Worker route are in a new *Appendix Skilled Worker*. They are split into validity, suitability, eligibility, financial and criminal record requirements.

Read the full article **HERE**

Please see the two links with very important information from the Home Office and an article from the Free Movement about the changes:

1. Home Office response to ILPA on the grace period regulations (21 October 2020)
UKVI DOCUMENTS
Date published: 23 October 2020
Please find the Home Office's response to **ILPA's letter** of 2 October 2020 below.

Response

https://ilpa.org.uk/home-office-response-to-ilpa-on-the-grace-period-regulations-21-october-2020/

2. New statement of changes to the Immigration Rules: HC 813

The long-awaited statement of changes giving us more details on the famous "new Points-Based Immigration System" has now been **published**. It is over 500 pages long and even the explanatory memorandum, which is usually just a few pages long, weighs in at 50 pages. This article is a summary of the most important changes and we'll be bringing you more detailed posts covering specific parts of the new rules in the coming days.

This set of changes really is a major overhaul of the Immigration Rules to which we are accustomed, so all lawyers and advisers have some serious reading to do.

https://www.freemovement.org.uk/statement-of-changes-to-the-immigration-rules-hc-813/

The above will have an impact on the EEA nationals living in the UK.

The Citizens' Rights (Application Deadline and Temporary Protection) (EU Exit) Regulations 2020

New regulations have been issued that extend the deadline for applications to the EU Settlement Scheme (EUSS) to 30 June 2021 and ensure that specified individuals retain their current entitlement to benefits and public services in the period from the end of the Brexit transition period to that date.

FCA announces further proposals to enhance support for mortgage borrowers impacted by coronavirus
Last updated: 02/11/2020

New draft guidance includes extended deadline for borrowers to request payment deferrals and provision to prevent any borrower losing their home before 31 January 2021

The Financial Conduct Authority (FCA) has announced further proposals to enhance support for mortgage borrowers impacted by the coronavirus pandemic.

As a result of the increasing regional and national COVID-19-related restrictions announced in recent weeks, the FCA's new **draft guidance to lenders** outlines measures that continue, and build on, the support package that has been in place since March 2020 when the **Chancellor Rishi Sunak announced the first three-month mortgage payment deferral.**

In particular, the guidance includes proposals to extend the availability of payment deferrals, enabling requests for deferrals beyond the current 31 October 2020 cut-off date up to 31 January 2021, meaning that -

- those who have not yet had a payment deferral will be eligible for two payment deferrals of up to six months in total;
- those who currently have an initial payment deferral, will be eligible for another payment deferral of up to three months; and
- those who have resumed repayments after an initial payment deferral will be eligible for another payment deferral of up to three months.

NB - the FCA advises that **guidance issued in September 2020**, relating to the provision of tailored support for those who are not eligible for further payment deferrals, will continue in force.

In addition, the draft guidance requires that lenders do not enforce repossessions nor seek, or enforce, a warrant for possession or a warrant of restitution before 31 January 2021.

The FCA confirms that the proposals, which are subject to a short 'comment period' until 10 am on Thursday 5 November, will be finalised and published 'as soon as possible' after the comment period closes.

Commenting on the proposals, the FCA's Interim Executive Director of Strategy and Competition Sheldon Mills said -

> 'We are working with lenders to ensure enhanced support remains available to borrowers struggling financially following changes in the coronavirus situation across the UK.
>
> Tailored support will still be offered and remains the most appropriate option for many borrowers, but we are proposing to extend payment deferrals for additional support. We also want to make sure no one has their home repossessed during this time.
>
> 'It is in borrowers' own long-term interest only to take a payment deferral when absolutely necessary. Those that are able to keep paying, should do so. This allows support to be targeted to those most in need.
> 'We are also asking borrowers not to contact their lender yet, and instead wait for further updates, including from their lenders, soon.'

For more information, see **FCA announces further proposals to support mortgage borrowers impacted by coronavirus**.

FCA proposes further payment breaks for ALL consumer debt, not just mortgages, if you haven't had 6 months already.

FCA to announce further proposals to support consumer credit borrowers impacted by coronavirus
Last updated: 02/11/2020

We said we would keep our support for consumer credit borrowers under review as the coronavirus (Covid-19) pandemic evolved.

Following the announcement of the latest Government restrictions in response to the coronavirus outbreak, we will propose updates to our temporary guidance on personal loans, credit cards, motor finance, rent to own, buy-now pay-later, pawnbroking and high-cost short-term credit to support consumer credit customers financially affected by coronavirus.
It is important that consumer credit customers who can afford to do so continue to make repayments. Borrowers should only take up this support if they need it.

To support those financially affected by coronavirus, we will propose that consumer credit customers who have not yet had a payment deferral under our July guidance can request one. This could last for up to 6 months unless it is obviously not in the customer's interests. Under our proposals borrowers who are currently benefitting from a first payment deferral under our July guidance would be able to apply for a second deferral.

For high-cost short-term credit (such as payday loans), consumers would be able to apply for a payment deferral of one month if they haven't already had one.

We will work with trade bodies and lenders on how to implement these proposals as quickly as possible, and will make another announcement shortly.

In the meantime, consumer credit customers should not contact their lender just yet. Lenders will provide information soon on what this means for their customers and how to apply for this support if our proposals are confirmed.
Consumer credit customers who have already benefitted from payment deferrals and are still experiencing payment difficulties should speak to their lender to agree tailored support.

It may also be in the interests of consumer credit customers who expect to have long-term financial difficulties to agree other forms of tailored support with their lender.

On Saturday 31 October, we announced that we would propose updates to our guidance to support mortgage borrowers; we will make a further announcement on this later today.

rightsnet

Support through Self-Employment Income Support Scheme to be doubled from 40 to 80 per cent of average trading profits, Prime Minister announces

HM Treasury also confirms that people will be able to apply from the end of November 2020 rather than the middle of December, with support provided faster

Support through the Self-Employment Income Support Scheme (SEISS) is to be doubled from 40 to 80 per cent of average trading profits, the Prime Minister Boris Johnson has announced.

- as SEISS grants are calculated over three months, the uplift for November 2020 to 80 per cent, along with the 40 per cent level of trading profits for December 2020 and January 2021, increases the total level of the third grant to 55 per cent of trading profits, with the maximum grant increasing to £5,160; and
- grants will be paid faster than previously planned – with the opening of the claims window being brought forward from 14 December to 30 November 2020.

For more information, see **Government increases support for self-employed across the UK**

PM Commons statement on coronavirus: 2 November

Changes to the rules for some monthly workers who receive two wages in one Monthly Assessment Period....following the Court of Appeal decision in Johnson that found the UC Regulations to be irrational and therefore unlawful.

Regulations effective from 16th November 2020 should ensure that working UC claimants no longer lose out financially by having two monthly wage payments taken into account in one UC Monthly Assessment Period.

What's the problem that needed sorting?
Up to these amending Regulations the problem was that certain monthly paid claimants had a Monthly Assessment Period that meant that in some assessment periods, the UC assessment took two wages into account and the next one took none. This caused budgeting problems, but for some it also meant a financial loss – ie those with dependent children or who (or their partner has) a limited capability for work. This is because only one work allowance can be applied in an assessment period (even where there are two wages), and no work allowance can be applied in an assessment period where there are no earnings.

What do the amended regulations say?
Regulation 61 of the UC Regulations 2013 has been replaced - and a new paragraph included - which says that for people paid on a regular monthly basis, where more than one wage is reported via the Real Time Information system (RTI) in the same assessment period, the DWP may determine that one of those payments is taken into account in a different assessment period in order to maintain a regular pattern.

Who will benefit from the amended regulations?
This will benefit those claimants whose employer is an RTI employer and:
• Whose monthly wage payment dates fall so close to the beginning of their assessment date that when a wage is paid early - because it would otherwise fall on a non banking day - two wages fall within one Monthly Assessment Period.
• Who are paid early for example before Christmas.
• Whose earnings are paid on the last day of the calendar month, and their UC Monthly Assessment period ends before this ie 28th, 29th or 30th of the month.

It does not apply to:
• Claimants who are paid weekly, fortnightly, or 4 weekly.
• Claimants who have two wages in one Monthly Assessment Period because their employer has reported one of their wages late (but Regulation 61 already allows an adjustment to be made in such cases).

How will the regulations be implemented in practice?
We do not know if the UC software will pick up on the claimant's pay cycle and recognise that a claimant has received two wages in one month, or if the DWP will move the 'incorrectly placed' wage without a request from the claimant. The regulations are not mandatory – the phrase used is "the Secretary of State may….", so this suggests that that is it more likely to need manual intervention.

So it is likely that the claimant will need to request that the DWP apply these new Regulations.
Note: If these adjustments do not happen automatically, then before requesting the adjustment the claimant should check that they will actually be better off if this happens. Some claimants who have no work allowance and who receive only a moderate amount of UC can be better off where two wages are taken into account in one period and none in the next.

When will claimants begin to see the benefit?
The general rule when Regulations are amended is that the new legislation takes effect from the beginning of a claimant's Monthly Assessment Period after the one during which the change in Regulations took effect, unless the first date of that MAP is the same as the date the legislative change takes effect.

This ensures that the claimant is not affected by that change from a date before the change in law took effect.
So, for example, in this case where the change in law is taking effect from 16th November 2020, and a claimant has a Monthly Assessment period running from 23rd of one month to the 22nd of the next. Their UC assessment would not be affected by the change when their UC award is assessed on 22nd November, but the assessment on 22nd December would take the new rules into account.

Amending Regulations available **here**
The case law that forced this change - the Johnson case - is available **here**.