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Dr Ruth Allen and Ms Julia Ross British Association of Social Workers kerri.prince@basw.co.uk

Dear Dr Allen and Ms Ross,

Thank you for your letter of 15 November 2022 to the Prime Minister on behalf of The Professional Association of Social Work and Social Workers regarding benefit support for disadvantaged groups. I am replying as the Minister for Social Mobility, Youth and Progression.

I write to you with the latest update and I hope that you will find the following comments to be helpful.

The Secretary of State for Work and Pensions has completed his annual up-rating review and State Pension and benefit rates will increase in line with the Consumer Prices Index for the year to September 2022. This means, subject to parliamentary approval, rates will increase by 10.1 per cent from 10 April 2023. His decisions were announced by means of a Written Ministerial Statement on 17 November 2022.

The Government understands the pressures people are facing with the cost of living and is taking action to support people with their energy bills. The Government's Energy Price Guarantee, running from October 2022 to March 2023, will save a typical British household around £900 this Winter, based on what energy prices would have been under the current price cap, reducing bills by roughly a third. This is in addition to the over £37 billion of cost of living support announced earlier this year which includes the £400 non-repayable discount to eligible households provided through the Energy Bills Support Scheme.

The £37 billion also includes Cost of Living Payments worth up to £650 (paid in 2 lump sums of £326 and £324) which have targeted support at around 8

million low-income households on means-tested benefits. In addition, 6 million eligible disabled people have received a one-off disability Cost of Living Payment of £150 and pensioner households will receive a one-off payment of £300 alongside the Winter Fuel Payment from November.

For those who require additional support in England the current Household Support Fund, running from 1 October 2022 to 31 March 2023, is providing £421 million of funding for those most in need. The devolved administrations have been allocated £79 million through the Barnett formula.

To ensure stability and certainty for households, in the Autumn Statement the Government announced £26 billion in cost of living support for 2023/24. This includes Cost of Living Payments for the most vulnerable. In 2023/24, households on eligible means-tested benefits will get up to a further £900 in Cost of Living Payments. A £300 payment will be made to pensioner households and individuals in receipt of eligible disability benefits will receive a £150 payment. The Government also announced the amended Energy Price Guarantee, which will save the average UK household £500 in 2023/24.

For those who require extra support, the Government is providing an additional £1 billion of funding to support households in England in the next financial year. This is in addition to the support already provided since October 2021, bringing total funding to £2.5 billion. In England this will be delivered through an extension to the Household Support Fund backed by £842 million, running from 1 April 2023 to 31 March 2024, which local authorities use to help households with the cost of essentials. It will be for the devolved administrations to decide how to allocate their additional Barnett funding.

Allocations for the current Household Support Scheme running from October 2022 - March 2023 can be found at: https://www.gov.uk/government/publications/household-support-fund-grant-determination-2021-no-315787

In addition, we are uprating benefits for working age households and disabled people, as well as the basic and new State Pensions, by 10.1 per cent. We are also increasing the National Living Wage by 9.7 per cent to £10.42 an hour from April 2023.

The benefit cap provides a strong work incentive and fairness for taxpaying households and encourages people to move into work, where possible. The Government firmly believes that where possible it is in the best interests of children to be in working households. Getting claimants back into work remains our primary concern and of course, returning to employment will significantly increase the likelihood of a household not being affected by the cap. The Government announced the benefit cap will rise by 10.1 per cent, in line with inflation, in the Autumn Statement.

We continue to protect vulnerable claimants for whom work may not currently be a viable option. In recognition of the additional costs relating to a disability, households are exempt from the cap if somebody is receiving, for example, Disability Living Allowance or Personal Independence Payment. Universal Credit claimants that receive the Limited Capability for Work Related Activity element or Employment and Support Allowance claimants in receipt of the support component are also exempt from the cap.

We recognise and appreciate the vital contribution made by carers, that is why there are exemptions for those entitled to Carer's Allowance, the Carer's element in Universal Credit and Guardian's Allowance.

Households in receipt of Universal Credit are exempt from the cap if their earnings reach just £658 a month to help encourage people into work and those who still receive Housing Benefit are also exempt if they are entitled to Working Tax Credits.

The Government also want to support those with a strong recent work history who find themselves without work or when their earnings reduce. As a result, the benefit cap is not applied for nine months for those receiving Universal Credit where the claimant, their partner or ex-partner has earned at least the benefit cap earnings threshold, of £658, in each of the previous 12 consecutive months.

A range of employment support and advice is available from Work Coaches in Jobcentres to help people earn enough to be exempt from the cap and start to become less reliant on benefits. Eligible childcare costs that are repaid through the Universal Credit payment are exempt from the cap. This also supports people to get into work and progress in employment.

Work Coaches can use the Department's Flexible Support Fund to enable claimants to buy work clothing, tools, training and vocational certification, or reimburse travel and childcare costs, where this will help a claimant's search for work.

Claimants can also approach their local authority to be considered for a Discretionary Housing Payment. These can be paid to those entitled to Housing Benefit or the housing element of Universal Credit who face a shortfall in meeting their rental costs.

The Government does not believe that a freeze on evictions is the best way to help those who are struggling with their living costs. An evictions freeze is likely to damage the health of the housing market and store up problems in the longer term. Removing the ability of landlords to repossess their property when needed could reduce the supply of properties to rent, discourage investment, and lead to tenants building up debt where they remain in properties they cannot afford.

However, the Government does understand the pressures that people are facing with the cost of living and has taken decisive action to support households (as previously outlined). As part of this financial year's cost of living support, millions of the most vulnerable households are receiving £1200 of support. Individuals who need help towards their rental payments may be eligible for a range of support through the welfare system. In April 2020 we boosted investment in the Local Housing Allowance by nearly £1 billion and rates have been maintained at their increased level in 2021/22 and 2022/23.

For those most in need, support is available through Discretionary Housing Payments to help meet a shortfall in their housing costs and £366 million has been made available in 2022/23 to offer financial support through the Homelessness Prevention Grant. This includes an additional £50m top up, announced in December, which will support local authorities to help prevent vulnerable households from becoming homeless this winter. £654 million will be provided to councils in England over the next 2 years through the Homelessness Prevention Grant, to support them to deliver services to prevent and tackle homelessness.

In addition, our recent Private Rented Sector White Paper set out plans to fundamentally reform the sector and level up housing quality in this country, helping those who are struggling with their housing costs. We will save renters hundreds of pounds in moving costs through ending Section 21 'no fault' evictions. The White Paper also sets out measures to prevent discrimination in the sector, end the use of arbitrary rent review clauses, restrict tribunals from hiking up rent and enable tenants to be repaid rent for non-decent homes.

Legislating on Private Rented Sector reform remains a top priority for this government, and we will bring forward legislation as soon as we can within this Parliament.

The Government also has a range of policies which support children and families across the tax and benefits system and public services.

The Universal Credit Child Element brings together the different elements of Child Tax Credit, to offer additional payments for each child or qualifying young person (QYP) for whom the claimant is responsible.

The Government's view is that providing support for a maximum of two children ensures fairness by asking families in receipt of benefits to make the same financial decisions as families supporting themselves solely through work. Families who support themselves solely through work would not usually see their wages increase simply because of the addition of a new child to their family. An out-of-work family with 6 children could previously receive up to £17,225 per year in Child Tax Credits alone.

The Government recognises that some claimants are not able to make the same choices about the number of children in their family, and it has exceptions to protect certain groups. It has legislated to ensure that families will continue to receive a child amount for any children born before 6 April 2017.

Child Benefit continues to be paid for all children as well as an additional amount for any disabled children. The Government continues to take action to help families with the cost of living, including raising the National Living Wage, reducing the Universal Credit earnings taper, raising the income tax personal allowance, introducing tax-free childcare and 30 hours a week of free childcare for 3 and 4 year olds for working families.

In recognition that some claimants are not able to make the same choices about the number of children in their family, the Government has put in place exceptions for certain groups.

Exceptions apply to third and subsequent children who are additional children in a multiple birth - all children in a multiple birth other than the first child. An exception also applies to third and subsequent children where they are likely to have been born as a result of non-consensual conception. For this purpose, non-consensual conception includes rape, or circumstances in which the claimant was in a controlling or coercive relationship with the child's other biological parent at the time of conception.

An exception also applies to any children in a household who are:

- adopted when they would otherwise be in local authority care;
- living long term with friends or family and would otherwise be at risk of entering the care system; or,
- under 16 living with their parents or carers and have a child of their own (until they make a separate claim upon turning 16).

Mims Davies MP
Minister for Social Mobility, Youth and Progression

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