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Benefits



The Bulletin of Warwickshire Welfare Rights Advice Service

In Brief: The 'New' Benefit Rates 2016/17 - all change?!

As has become traditional, we preview the proposed changes to a few of the main benefit rates. Many more figures will be given in our Benefit Rates Posters and handy Leaflets, due to be printed and distributed by March 2016.

Sharp-eyed readers will see that, with this limited list of main benefits, only two categories of benefits are actually changing.

Can you spot them? We've helped you by marking them with an* for going up and ** for going down! There is also the new State Pension rate for those first retiring from April 2016.

WEEKLY RATES FROM APRIL 2016:

PIP DAILY LIVING COMPONENT

ENHANCED RATE	£82.30
STANDARD RATE	£55.10

DLA CARE COMPONENT

HIGHEST RATE	£82.30
MIDDLE RATE	£55.10
LOWEST RATE	£21.80

ATTENDANCE ALLOWANCE

HIGHER RATE	£82.30
LOWER RATE	£55.10

EMPLOYMENT AND SUPPORT ALLOWANCE

BASIC £57.90 / £73.10

CARERS ALLOWANCE £62.10

BASIC INCOME SUPPORT/ JOBSEEKERS ALLOWANCE

AGED 16-24	£57.90
AGED 25+	£73.10

CHILD BENEFIT

FIRST CHILD	£20.70
EACH SUBSEQUENT CHILD	£13.70

PIP MOBILITY COMPONENT

ENHANCED RATE	£57.45
LOWER RATE	£21.80

DLA MOBILITY COMPONENT

HIGHER RATE	£57.45
LOWER RATE	£21.80

RETIREMENT PENSION

Category A or B	£119.30*
Category B (lower)	£71.50*

WORK-RELATED ACTIVITY GROUP £29.05
SUPPORT GROUP £36.20

NEW STATE PENSION £155.65

PENSION CREDIT

STANDARD MINIMUM GUARANTEE

Single	£155.60*
Couple	£237.55*

SAVINGS CREDIT (MAXIMUM)

Single	£13.07**
Couple	£14.75**

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COHABITATION - THE BENEFITS PERSPECTIVE

Cohabitation means being treated as living together as a married couple, and applies to both same-sex and different-sex couples. It isn't just a case of the DWP believing that two can live as cheaply as one - if you are wrongly accused of being part of a couple you may find all/most of your benefits being withdrawn.

WHICH BENEFITS CAN BE AFFECTED?

- All means-tested benefits will be affected by cohabitation, i.e. Income Support; income-related ESA; Pension Credit; income-based JSA; Housing Benefit; Universal Credit; Council Tax Support. All can only be claimed by one member of a couple. The couple rate for these is less than for two single people.
- Child & Working Tax Credit - cohabiting couples must make a joint claim.
- Child Benefit (CB) may be affected.
CB is paid at a slightly higher rate for the eldest child than for subsequent children. If you live with your partner, and both of you have children from an earlier relationship for whom you get separate CB, you won't get the higher rate for both. Instead the higher rate is paid to whoever has the eldest child.

With cohabiting couples the mother's claim for CB takes priority whereas Child Tax Credit is claimed by whoever takes responsibility for the child.
- Bereavement Allowance & Widowed Parents Allowance will be suspended while you are cohabiting.
 - the one-off Bereavement Payment cannot be claimed if, at the time of your spouse's death, you were cohabiting with someone else.

WHAT COUNTS AS 'LIVING TOGETHER'?

There are six 'signposts' used to determine whether you are cohabiting:

1. Do you live in the same household?
2. Do you have a sexual relationship?
3. Do you have children?
4. Do you have a stable relationship?
5. How do you appear in public?
6. What are your financial arrangements?

1. Do you live in the same household?

Is there good evidence that the other person actually lives elsewhere?

Living in the same "household" is not the same as living in the same house. You can maintain separate households under the same roof, so not be cohabiting. A separate household exists if there are:

- independent arrangements for storage and cooking of food
- independent financial arrangements
- separate eating arrangements
- separate commitments for housing costs
- no evidence of family life.

BUT there may be legitimate reasons to share a roof that DON'T indicate cohabitation. Separated people living under the same roof should not be treated as couples if they maintain separate households within the same building, e.g. if one can't afford to move out or find single accommodation.

Also couples who live in the same household for reasons of care or mutual convenience should not be assumed to be cohabiting:

Example: Lesley has known Ryan for 10 years and they have 2 children. They separated two years ago. Lesley is now very ill and needs help with the children, as well as herself. Ryan stops-over most nights to help care for her, and their children. They are not cohabiting as Ryan lives there for that specific reason

2. Do you have a sexual relationship?

You are unlikely to be asked this question by the DWP (although a tribunal might). If you do not have such a relationship, make this known. A sexual relationship is not sufficient in itself to show cohabitation (although the absence of a sexual relationship does not mean you aren't a couple).

3. Do you have children?

If you have a child and live in the same household as the other parent, there is a strong presumption of cohabitation.

4. Do you have a stable relationship?

A stable relationship, as in marriage or civil partnership, implies cohabitation. However, many stable relationships are not necessarily *cohabiting* relationships - e.g., housemates, landlords and lodgers. It is the nature of the time spent together that is relevant, such as holidaying or shopping together etc.

5. How do you appear 'in public'?

Do you appear on the electoral role as a couple? Do you claim anything as a couple? Although you may retain a separate identity, in public you may be regarded as cohabiting. Check your Facebook status!

6. What are your financial arrangements?

One partner supporting the other, or shared household expenses are likely to be treated as cohabitation. However sharing bills on an equal basis or paying a fixed weekly contribution (like flatmates) would not imply cohabitation.

All of these factors are taken into account before deciding whether you are a couple, with the decision based on balance of probabilities. Sometimes other relationships are wrongly caught by this decision e.g. lodgers or flatmates.

CAN I APPEAL?

You can appeal a 'living together' decision. You should also make a fresh claim for benefit pending the appeal hearing. The DWP or HMRC may try to persuade you to withdraw your claim, rather than put a stop to it themselves. You should resist this. If they do stop the claim, you can re-apply immediately and challenge their decision, via an internal review called a *mandatory reconsideration*.

This must be made within 1 month of the date ON the decision letter.

If you have no further evidence to provide the DWP at this stage, tell them that and ask them to make an expedited decision, so you can move to the next (independent) stage. The DWP will issue a fresh decision - a NOTICE - and if you are still unhappy with the new decision you can appeal to an independent tribunal within one month of the later decision, using the form SSCS1, available from www.justice.gov.uk/downloads/forms/tribunals/sscs/sscs1.pdf



DID YOU KNOW?

16-20 year olds with a disability or impairment can claim Employment & Support Allowance (ESA) even though they are still in education. They must also get DLA or PIP at any rate/level.

Once passed the ESA assessment phase they will be eligible to ESA of either £102.15 or £125.05 pw, depending on whether s/he is placed in the Work-related Activity, or the Support, Group.

WHAT'S THE CATCH?

It means that s/he will be claiming a benefit in their own right. Their parents/carers must give up any benefits received for that child. All will be getting Child Benefit, so any received for that child would be lost – but the increase in the young person's benefits will be greater.

However some parents/carers may also be getting additional benefits based on their own income/capital, such as Child Tax Credit or Housing Benefit. If their benefit includes extra amounts for a dependent disabled child they have more to lose if the young person claims ESA in his/her own right.

Thus a 'better-off' comparison needs to be made, which should also include that the fact that the young person will be eligible to free school meals plus the 16-19 Bursary administered by the school/college, via entitlement to ESA.

Nonetheless many households will be much better off if the young person does claim ESA. To claim ESA ring the DWP on 0800 055 6688.



ASK BENEFITS BEN!

Q I'm in receipt of Disability Living Allowance (DLA). I get the Care Component at the middle rate & the Mobility Component at the lower rate. But I'm coming up to my 65th birthday. I know there is a different benefit when you are 65 and over (Attendance Allowance), but what will happen to me?

A The short answer is nothing!

You will not be transferred to Attendance Allowance - you will continue to stay on DLA as long as you meet its rules. This also applies if it is Personal Independence Payment (PIP) you are claiming, not DLA.

If you feel that you want to ask the DWP to review your DLA at any time in the future (e.g. if you think that your care or mobility needs have increased) always make sure you seek advice first.

This is because you are then allowing the DWP to look at your whole claim again, so you might see your benefit reduced or even lost.

For an overview of the benefits that disabled young people can claim from 16 see our leaflet *Pb11* available to view/download for free on our website: www.wwras.org.uk

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