

Financial health check for the New Year

January can be a challenging time for many people. Our team of advisers can carry out benefit checks to maximise your income, and offer money advice to address any debt issues.

What happens at a debt advice appointment?

Our adviser will collect information from you about your personal situation to gain a comprehensive understanding of your circumstances. They will then conduct a benefit check to make sure you are receiving all the benefits you are entitled to. Our adviser can assist you in applying for benefits or resolving any benefit issues by submitting reconsideration (or re-determination) requests or appealing a benefit decision on your behalf.

Beside maximising your income, our advisers can help you with debt issues. This involves drawing up a list of your income and expenditure and establishing if you have any disposable income which you could use to pay back debts. Help with budgeting may also include identifying ways to reduce your expenditure such as switching to cheaper suppliers.

Once your budget is clarified, our adviser will explain the available debt options. This may involve setting up affordable repayment plans with creditors, entering into the more formal Debt Arrangement Scheme or applying for bankruptcy for debt relief. Your adviser will support you in making an informed decision by providing all necessary information.



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Welcome to our Winter edition!

This newsletter includes information on benefits and tips for income maximisation, to keep you informed & empowered.

Our **Advice Team** provides advice and assistance with **benefits, housing and debt** issues & **employability**.

To make an appointment: 0131 442 2100 or chai@chaiedinburgh.org.uk

What's new with Scottish benefits?

Here's a snapshot of recent payments, changes, and additions to the Scottish benefits landscape.

The Winter Heating Payment

The £55.05 annual payment will be automatically made to eligible individuals by the end of January.

Eligibility depends on receipt of a means-tested benefit and other conditions, such as having a child under 5 or receiving certain disability premiums. See: mygov.scot/winterheatingpayment.

Unlike its predecessor, the DWP Cold Weather Payment, the Winter Heating Payment ensures a yearly payment regardless of weather conditions.

Carer's Allowance Supplement

The Carer's Allowance Supplement of £270.50 was paid in December 2023 to eligible carers claiming Carer's Allowance. Payments are made twice a year, with the next payment being in April 2024.

The Carer Support Payment

Over 80,000 carers receiving Carer's Allowance will have their payments automatically transferred to the Carer Support Payment from February 2024. Initial eligibility criteria for this new Scottish benefit will remain unchanged in the first instance.

Best Start Foods

Best Start Foods provides financial support to help cover the cost of healthy and nutritious food for young children until the age of 3.

Effective from February 24, 2024, there will be no more income thresholds to qualify for Best Start Foods. To be eligible, you now only need to be in receipt of one of the following means-tested benefits, regardless of your earnings:

Universal Credit — Income-based JSA — Income-related ESA — Income Support — Pension Credit — Housing Benefit — Child Tax Credits — Working Tax Credits

The Job Start Payments

The Job Start Payment is a one-off grant to help young people aged 16 to 24 with the cost of returning to work after having been unemployed and in receipt of a means-tested benefit for 6 months. Three main changes have been made:

- The **application deadline** has been extended to 6 months after receiving a job offer.
- The **supporting information** required for proof of job has been simplified.
- Applicants can now receive Job Start Payment even if they've earned **income from trial shifts** prior to starting the job.



Other Scottish benefits you may be entitled to:

- The Scottish Child Payment
- Best Start Grants
- The Funeral Support Payment
- The Young Carer Grant
- Child Winter Heating Assistance
- Adult Disability Payment
- Child Disability Payment

Don't miss out! Contact us for a benefit check.

Your Universal Credit update

Conditionality changes for parents

The maximum number of hours that Universal Credit claimants with children aged 3 to 12 are expected to work or look for work has been increased to **30 hours per week**.

This replaces the old rules, whereby Universal Credit claimants with responsibility for children aged 3 to 4 were previously expected to engage in work-related activity for up to **16 hours** per week, while claimants with children aged five to 12 were expected to engage in work-related activity for up to **25 hours** per week.

Commitments will be tailored to parents' personal circumstances, including the availability of childcare. Alongside local Jobcentre support, work-related requirements could include time updating CVs or developing skills through training.

The DWP clarified that the changes do not apply to self-employed claimants, and that claimants who are affected will agree new claimant commitments at their next scheduled meeting with their work coach.



Managed Migration for 'Tax Credits only' claimants

The DWP is currently moving people in receipt of tax credits (only) to Universal Credit. The *Move to Universal Credit* programme (or Managed Migration) is on track and migration notices will be issued to remaining claimants in receipt of legacy benefits other than tax credits from April 2024.

Remember that **you will need to apply for Universal Credit if you are sent a Migration Notice**. If you do not apply, you could miss out on what is called a Transitional Protection Element which aims to make sure you are not financially worse off under Universal Credit after the move.

Contact us for advice if you're worried about what the Managed Migration means for you.

What can I do if I can't work that much?

Speak to your work coach about reducing the number of hours you are expected to work, based on your personal circumstances, such as your caring commitments or health issues.

Put the request in writing.

Challenge any refusal. While there is no formal right of appeal, you may complain or take the issue to your MP or MSP.

Seek advice! Other options include:

- Being assessed as unfit for work,
- Being referred to an Employability Worker,
- Claiming help with childcare costs etc.

The Scottish Budget & The UK Autumn Statement



The Scottish First Minister has announced a freeze on council tax bills for the upcoming fiscal year 2024/2025, offering financial respite for households.

Key budget highlights include a 6.7% increase in Scottish benefits by April 2024, with the Scottish Child Payment rising to £26.70 per week.

Financial support initiatives include a substantial £90 million for Discretionary Housing Payments (DHP) and £144 million allocated for council tax freezes. Additionally, £1.5 million is earmarked to eliminate school meal debt, and £43 million is set aside to extend the school meal program to primary 6 and 7 students.

The budget demonstrates a commitment to fair wages, as funds are allocated to support the Living Wage (£12 per hour) for adult and children's social care, as well as early learning and childcare workers across various sectors.

Addressing homelessness remains a priority with a dedicated fund of £35 million.

Tax changes include the introduction of a new 45% tax band for incomes between £75,000 and £125,140, along with a 1% increase in the top tax rate to 48% for incomes over £125,000.

The healthcare sector received a substantial boost, with NHS boards granted a 4.3% funding increase. Environmental and economic initiatives include a £358 million fund to accelerate clean heating systems and a £49 million investment to progress Scotland's transition to a circular economy.



In the recent UK Autumn Statement, the focus was on jobseekers and included measures such as strengthening the Universal Credit sanctions regime, targeting claimants disengaging from jobcentre support for over six months, and tracking attendance at job fairs and interviews.

The UK Government will expand Additional Jobcentre Support, introducing intensive support 7 weeks into a claimant's work search journey. Additionally, there will be new interventions, intensifying as claimants remain unemployed.

Financial adjustments involve a 6.7% increase in working age benefits, including Universal Credit, and an 8.5% uprate for pensioners in April 2024. The local housing allowance (LHA) freeze since 2020 will be lifted, albeit frozen again in 2025/26 (LHA rates help determine how much people get in Housing Benefit or Universal Credit housing costs for those who rent privately).

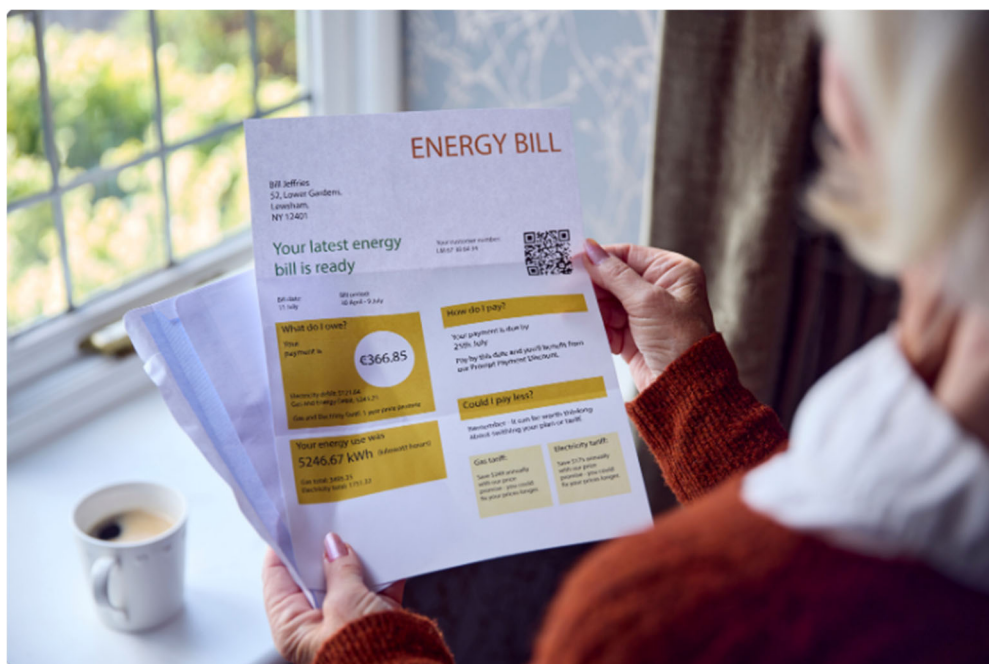
Health reforms include trialling changes to fit notes to enhance fitness for work assessments, and expanding mental and physical health support programmes. Plans to reform the Work Capability Assessment are also underway but won't affect anyone until April 2025 at the earliest, and so are not covered here.

What help is there for high fuel bills?

The Cost of Living Payment

The next payment of £299 will be automatically issued between 6 February and 22 February 2024 to those who qualify. Claimants must have been in receipt of a qualifying means-tested benefit in the period between 13 November and 12 December 2023.

The qualifying benefits are: income-based JSA, income-related ESA, Income Support, Pension Credit, Universal Credit, Child Tax Credits and Working Tax Credits.



Grants for your fuel arrears

If you have fuel arrears, you can apply for a grant from a charitable trust to help pay it off. Check if your supplier offers a grant scheme. **Scottish Power, Ovo Energy, E.ON/Next Energy, EDF Energy and Bulb Energy** all have their own schemes. The **British Gas Energy Trust** offers grants that are open to anyone, you don't have to be a customer.

You may also be eligible for a grant from the **Home Heating Support Fund** if you are in fuel debt or self-rationing. <https://homeheatingadvice.scot>

The Warm Home Discount

Energy providers have opened up their applications to the Warm Home Discount scheme, whereby eligible people can get **£150 off their electricity bill**.

All suppliers do it slightly differently and have different timescales, so you will need to check with your own supplier and look up their website.

www.gov.uk/the-warm-home-discount-scheme

Tips for cheaper energy bills

- Ask your supplier if you're on the lowest tariff.
- Give accurate meter readings.
- Switch to online billing and direct debit if you can, to save money on bills.
- Shop around for best deals and switch suppliers using price comparison websites, if you can. Check out this website: <https://energycompare.citizensadvice.org.uk>

Contact Home Energy Scotland

Home Energy Scotland can help you with energy **efficiency advice** (e.g., how to use storage heaters properly) and also identify **any grants** you might be eligible for to **insulate** your property if you are a private tenant or a homeowner (e.g., for a new boiler, heating systems, loft insulation etc.). Call 0800 512 012 or visit www.homeenergyscotland.org.

Happy New Year 2024 from everyone at CHAI!



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- The City Region Deal
- NHS Lothian
- Corra Foundation
- Edinburgh Trust
- EVOC
- Melville Housing Association
- National Lottery Cost of Living Fund
- Robertson Trust
- Scottish Legal Aid Board
- ARCHIE (Alliance of Registered Co-operatives and Housing Associations, Independent in Edinburgh)